

UBS (CH) Suisse

Investment fund under Swiss law with multiple sub-funds (umbrella fund) of the “other fund for traditional investments” type

Prospectus with integrated fund contract, December 2023

Part I Prospectus

This prospectus with integrated fund contract, the key information document, and the most recent annual or semi-annual report (if published after the latest annual report) serve as the basis for all subscriptions of units in the sub-funds. Only the information contained in the prospectus, the key information document or the fund contract is deemed valid.

1 Information on the umbrella fund and sub-funds

1.1 Foundation of the umbrella fund and its sub-funds in Switzerland

UBS (CH) Suisse is a contractual umbrella fund under Swiss law of the “other fund for traditional investments” type in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006. The fund contract was drawn up by UBS Fund Management (Switzerland) AG as fund management company and submitted to the Swiss Financial Market Supervisory Authority FINMA with the consent of UBS Switzerland AG as custodian bank. The fund contract was first approved by FINMA in 2010.

1.2 Tax regulations relevant to the sub-funds

The umbrella fund and sub-funds have no legal personality in Switzerland. They are not subject to tax on either income or capital.

The Swiss federal withholding tax deducted from the sub-funds’ domestic income can be reclaimed in full for the relevant sub-fund by the fund management company.

Income and capital gains realised outside Switzerland may be subject to the relevant withholding tax deductions imposed by the country of investment. Insofar as is possible, these taxes will be reclaimed by the fund management company on behalf of investors domiciled in Switzerland under the terms of double taxation treaties or other such agreements.

Distributions of income made by the sub-funds to investors domiciled in Switzerland and abroad are subject to Swiss federal withholding tax (source tax) at 35%. Separately recorded capital gains are not subject to withholding tax.

Investors domiciled in Switzerland may reclaim the deducted withholding tax via their tax returns or by submitting a separate refund application.

Investors domiciled outside Switzerland may reclaim withholding tax under the terms of any double taxation treaty between Switzerland and their country of domicile. If no such treaty exists, then the withholding tax may not be reclaimed.

This tax information is based on the current legal situation and practice. It is expressly subject to changes in legislation, the decisions of the courts and the decrees and practices of the tax authorities.

Taxation and other tax implications for investors who hold, buy or sell fund or sub-fund units are defined by the tax laws and regulations in the investor’s country of domicile. For information in this regard, investors should contact their tax advisor.

The investment fund has the following tax status:

International automatic exchange of information in tax matters (automatic exchange of information)

For the purposes of the automatic exchange of information in accordance with the Common Standard on Reporting and Due Diligence for Financial Account Information (CRS) of the Organisation for Economic Co-Operation And Development (OECD), the fund qualifies as a non-reporting financial institution.

FATCA

The fund is registered with the US tax authorities as a Registered Deemed-Compliant Financial Institution under a Model 2 IGA pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, “FATCA”).

Partial tax exemption under the German Investment Tax Act 2018

All sub-funds count as "other funds" for the purposes of the German Investment Tax Act (InvStG), hence partial exemption under § 20 InvStG is not possible.

1.3 Financial year

The financial year runs from 1 September to 31 August.

1.4 Audit firm

The audit firm is Ernst & Young AG, Basel.

1.5 Units

Units do not take the form of actual certificates, but exist purely as book entries.

The umbrella fund currently comprises the following sub-funds:

- 25 (CHF)
- 45 (CHF)
- 65 (CHF)

The figures mentioned in the names of the individual sub-funds show the permitted long-term average values of the percentage equity shares per sub-fund considered on a consolidated basis. Any real estate fund units are not taken into account in the long-term values of the percentage equity shares. These long-term values can be deviated from in the short to medium term.

There are currently the following unit classes for each sub-fund:

UBS (CH) Suisse – 25 (CHF)

Unit class	Accounting currency	Initial issue price	Launch period/date ¹	Minimum subscription	Smallest tradable unit	Commission p.a.	Form of custody	Appropriation of income
P-dist	CHF	100	10.05.2010	–	0.001	1.250% ² (1.000%)	Bearer	Distribution
K-1-dist	CHF	5,000,000	Not yet known	n/a ¹¹	0.001	0.850% ² (0.680%)	Bearer	Distribution
Q-dist	CHF	100	26.11.2015	–	0.001	0.750% ² (0.600%)	Bearer	Distribution
F-dist	CHF	100	Not yet known	–	0.001	0.690% ⁴ (0.550%)	Registered ⁷	Distribution
I-A1-dist ⁸	CHF	100	Not yet known	–	0.001	0.750% ² (0.600%)	Registered ⁷	Distribution
I-A2-dist	CHF	100	Not yet known	10 million ⁹	0.001	0.720% ² (0.580%)	Registered ⁷	Distribution
I-A3-dist	CHF	100	Not yet known	30 million ¹⁰	0.001	0.690% ² (0.550%)	Registered ⁷	Distribution
I-B-dist ⁸	CHF	100	Not yet known	–	0.001	0.060% ⁵	Registered ⁷	Distribution
I-X-dist ⁸	CHF	100	Not yet known	–	0.001	0.000% ⁶	Registered ⁷	Distribution
U-X-dist	CHF	10,000	Not yet known	–	0.001	0.000% ⁶	Registered ⁷	Distribution

UBS (CH) Suisse – 45 (CHF)

Unit class	Accounting currency	Initial issue price	Launch period/date ¹	Minimum subscription	Smallest tradable unit	Commission p.a.	Form of custody	Appropriation of income
P-dist	CHF	100	10.05.2010	–	0.001	1.400% ² (1.120%)	Bearer	Distribution
K-1-dist	CHF	5,000,000	Not yet known	n/a ¹¹	0.001	0.950% ² (0.760%)	Bearer	Distribution
Q-dist	CHF	100	27.11.2015	–	0.01	0.850% ² (0.680%)	Bearer	Distribution
F-dist	CHF	100	Not yet known	–	0.001	0.780% ⁴ (0.620%)	Registered ⁷	Distribution
I-A1-dist ⁸	CHF	100	Not yet known	–	0.001	0.850% ² (0.680%)	Registered ⁷	Distribution
I-A2-dist	CHF	100	Not yet known	10 million ⁹	0.001	0.800% ² (0.640%)	Registered ⁷	Distribution
I-A3-dist	CHF	100	Not yet known	30 million ¹⁰	0.001	0.780% ² (0.620%)	Registered ⁷	Distribution
I-B-dist ⁸	CHF	100	Not yet known	–	0.001	0.060% ⁵	Registered ⁷	Distribution
I-X-dist ⁸	CHF	100	Not yet known	–	0.001	0.000% ⁶	Registered ⁷	Distribution
U-X-dist	CHF	10,000	Not yet known	–	0.001	0.000% ⁶	Registered ⁷	Distribution

UBS (CH) Suisse – 65 (CHF)

Unit class	Accounting currency	Initial issue price	Launch period/date ¹	Minimum subscription	Smallest tradable unit	Commission p.a.	Form of custody	Appropriation of income
P-dist	CHF	100	16.02.2011	–	0.001	1.550% ² (1.240%)	Bearer	Distribution
K-1-dist	CHF	5,000,000	Not yet known	n/a ¹¹	0.001	1.050% ² (0.840%)	Bearer	Distribution
Q-dist	CHF	100	27.11.2015	–	0.01	0.950% ² (0.760%)	Bearer	Distribution
F-dist	CHF	100	Not yet known	–	0.001	0.870% ⁴ (0.700 %)	Registered ⁷	Distribution
I-A1-dist ⁸	CHF	100	Not yet known	–	0.001	0.950% ² (0.760%)	Registered ⁷	Distribution
I-A2-dist	CHF	100	Not yet known	10 million ⁹	0.001	0.900% ² (0.720%)	Registered ⁷	Distribution
I-A3-dist	CHF	100	Not yet known	30 million ¹⁰	0.001	0.870% ² (0.700 %)	Registered ⁷	Distribution
I-B-dist ⁸	CHF	100	Not yet known	–	0.001	0.060% ⁵	Registered ⁷	Distribution
I-X-dist ⁸	CHF	100	Not yet known	–	0.001	0.000% ⁶	Registered ⁷	Distribution
U-X-dist	CHF	10,000	Not yet known	–	0.001	0.000% ⁶	Registered ⁷	Distribution

- 1 In the table above, the note “Not yet known” refers to unit classes that have not been launched at the time of publication of this prospectus or for which the launch date has not been specified. For further information, investors are requested to contact their investment advisor
- 2 Flat fee charged by the fund management company. This is used for the administration, asset management and distribution activity in respect of the sub-funds, and all tasks of the custodian bank.
The amount in brackets indicates the level of the management fee, which accounts for 80% of the flat fee.
- 3 Flat fee charged by the fund management company. This is used for the administration and asset management of the fund, and all tasks of the custodian bank. The amount in brackets indicates the level of the management fee, which accounts for 80% of the flat fee.
- 4 Flat fee charged by the fund management company. This is used for the administration and asset management of the sub-funds, and all tasks of the custodian bank. In addition, a commission is charged under the written investment management mandate entered into by the investor and group companies of UBS Group AG (cf. § 6.4). The amount in brackets indicates the level of the management fee, which accounts for 80% of the flat fee.
- 5 Commission charged by the fund management company. The costs for the administration of the fund (encompassing fund management company, administration and custodian bank) are charged directly to the assets of the sub-fund by means of commission. The costs for asset management are charged to the investor under a separate agreement with UBS Asset Management Switzerland AG or an authorised contractual partner (cf. § 6.4).
- 6 Commission charged by the fund management company. Costs relating to services provided for the unit classes “I-X-dist” and “U-X-dist” are covered by the compensation owed to UBS Asset Management Switzerland AG under a separate agreement with the investor (cf. § 6.4).
- 7 Registered units must be booked and held at UBS Switzerland AG.
- 8 Units are allocated to a unit class in consultation with the investor on the basis of their mandate relationship with UBS Asset Management Switzerland AG or an authorised contractual partner.
- 9 Upon subscription:
 - (i) a minimum subscription according to the table (or the corresponding currency equivalent) must be made; or
 - (ii) the total assets of the qualified investor managed by UBS or the minimum amount of their collective investment schemes at UBS must amount to more than CHF 30,000,000 (or the corresponding currency equivalent) based on a written agreement between the qualified investor and UBS Asset Management Switzerland AG or an authorised contractual partner.
- 10 Upon subscription:
 - (i) a minimum subscription according to the table (or the corresponding currency equivalent) must be made; or
 - (ii) the total assets of the qualified investor managed by UBS or the minimum amount of their collective investment schemes at UBS must amount to more than CHF 100,000,000 (or the corresponding currency equivalent) based on a written agreement between the qualified investor and UBS Asset Management Switzerland AG or an authorised contractual partner.
- 11 Investors who wish to invest in this unit class must subscribe to units for an amount equal to the initial subscription price. For further subscriptions, they must subscribe at least the difference between the value of the units they already hold and the initial subscription price. If an investor holds units of the unit class in the value of the mentioned initial issue price, any subsequent subscription shall be accepted.

Conversion of units

Unit-holders may switch from one sub-fund to another at any time, provided they meet the requirements of the unit class to which they wish to switch. The same provisions apply to the submission of conversion applications as to the issue and redemption of units (cf. § 17). The number of units into which investors wishes to convert their holdings is calculated using the following formula:

$$A = \frac{(B * C)}{D} \text{ where:}$$

- A = number of units of the sub-fund’s unit class into which the conversion is to be made
- B = number of units of the sub-fund’s unit class from which the conversion is to be made
- C = net asset value of the units submitted for conversion
- D = net asset value of the units of the sub-fund’s unit class into which the conversion is to be made

The individual unit classes do not constitute segregated pools of assets. Although costs are in principle charged only to the unit class for which the service in question was rendered, the possibility of a unit class being held liable for the liabilities of another unit class therefore cannot be ruled out.

1.6 Listing and trading

The fund units are issued and redeemed daily.

1.7 Terms for the issue and redemption of units of the sub-funds

Units of the sub-funds will be issued and redeemed on every bank working day (Monday to Friday). No issues or redemptions will take place on Swiss public holidays (Easter, Whitsun, Christmas incl. 24 December, 31 December, New Year's Day, 1 August, etc.), or on days when the exchanges and markets in a sub-fund's main investment countries are closed or on days when 50% or more of the investments of the sub-fund cannot be appropriately valued, or under the exceptional circumstances defined under § 17.4 of the fund contract.

The fund management company and the custodian bank are entitled to refuse subscription orders at their own discretion.

Subscription and redemption orders received by the custodian bank by 1 p.m. (Central European Time) (cut-off time) at the latest on a given bank working day (order day) will be settled on the basis of the net asset value calculated on the following bank business day (valuation day). For orders placed with distributors in Switzerland and abroad, earlier cut-off times to submit the orders may apply in order to ensure timely forwarding to the custodian bank. These can be obtained from the respective distributor. The net asset value taken as the basis for the settlement of the order is therefore not known when the order is placed (forward pricing). It is calculated on the valuation day on the basis of the closing prices on the order day or, if these do not reflect the appropriate market value in the fund management company's view, on the basis of the latest available prices at the time of the valuation, or in accordance with other recognised valuation models and principles. The fund management company is entitled to apply other generally recognised and verifiable valuation criteria in order to make an appropriate valuation of a sub-fund's net assets if, due to extraordinary circumstances, a valuation in accordance with the regulations stated above proves to be unfeasible or inaccurate.

The net asset value of a unit of a given class of a sub-fund is determined by the proportion of the market value of the sub-fund's assets attributable to that unit class, less any of the sub-fund's liabilities that are attributed to that unit class, divided by the number of units of that class in circulation. This is rounded to CHF 0.01.

The issue price corresponds to the net asset value calculated on the valuation day, plus the issuing commission. The amount of the issuing commission is specified in 5.3 below.

The redemption price corresponds to the net asset value calculated on the valuation day.

Incidental costs for the purchase and sale of investments (bid-ask spread, standard brokerage charges, commissions, fees, etc.) incurred by a sub-fund in connection with the investment of the amount paid in or with the sale of a portion of investments corresponding to the redeemed unit(s) on average will be covered by the application of swinging single pricing as described in § 16.7 of the fund contract.

The issue and redemption prices are rounded to CHF 0.01. Payment will be made no later than three bank working days after the order day (value date max. three days).

Units do not take the form of actual certificates, but exist purely as book entries.

1.8 Appropriation of income

In principle, net income will be distributed to investors within four months of the close of the financial year at no charge. As a rule, capital gains are not distributed but are retained in the fund for reinvestment.

1.9 Investment objective and investment policy, investment restrictions and use of derivatives of the sub-funds

Detailed information on the investment policy and its restrictions, as well as the permitted investment techniques and instruments (in particular derivative financial instruments and their scope) are contained in the fund contract (cf. Part II, §§ 7–15).

1.9.1 Investment objective and investment policy of the sub-funds

a. UBS (CH) Suisse – 25 (CHF)

The main investment objective of UBS (CH) Suisse – 25 (CHF) is to achieve an optimal investment return through a generally stronger weighting of fixed-interest and money market investments over equities.

This sub-fund invests its assets primarily in: investments from issuers which have their registered office in Switzerland; conduct the majority of their business in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland; or in investments denominated in Swiss francs (CHF). At least 5% and at most 50% of the sub-fund's assets, after deducting liquid assets, are invested in equity paper and rights (including derivatives on such investments and collective investment schemes that invest predominantly in such investments), and at least 40% and at most 90% of the sub-fund's assets, after deducting liquid assets, are invested in bonds, convertible bonds, convertible notes, warrant issues and notes, other fixed-income or floating-rate debt paper and rights (including derivatives on such investments and collective investment schemes that invest primarily in such investments), and money market instruments. Up to 25% of the sub-fund's assets are invested in listed target funds under Swiss law of the "other fund for alternative investments" or "real estate fund" type and undertakings for collective investment (UCIs) which correspond to "other funds for alternative investments" under Swiss law.

The redemption frequency of the target funds must correspond in principle to that of the fund of funds.

The target funds must be authorised as collective investment schemes in their country of domicile and must be subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and international administrative assistance must be ensured.

The target funds are open-ended collective investment schemes, i.e. contractual investment funds and investment companies with variable capital.

Funds of funds may be acquired up to a maximum of 15%.

b. UBS (CH) Suisse – 45 (CHF)

The main investment objective of UBS (CH) Suisse – 45 (CHF) is to optimally combine interest income and capital growth from an accounting currency perspective.

This sub-fund invests its assets primarily in: investments from issuers which have their registered office in Switzerland; conduct the majority of their business in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland; or in investments denominated in Swiss francs (CHF). At least 20% and at most 70% of the sub-fund's assets, after deducting liquid assets, are invested in equity paper and rights (including derivatives on such investments and collective investment schemes that invest predominantly in such investments), and at least 20% and at most 70% of the sub-fund's assets, after deducting liquid assets, are invested in bonds, convertible bonds, convertible notes, warrant issues and notes, other fixed-income or floating-rate debt paper and rights (including derivatives on such investments and collective investment schemes that invest primarily in such investments), and money market instruments. Up to 25% of the sub-fund's assets are invested in listed target funds under Swiss law of the "other fund for alternative investments" or "real estate fund" type and undertakings for collective investment (UCIs) which correspond to "other funds for alternative investments" under Swiss law.

The redemption frequency of the target funds must correspond in principle to that of the fund of funds.

The target funds must be authorised as collective investment schemes in their country of domicile and must be subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and international administrative assistance must be ensured.

The target funds are open-ended collective investment schemes, i.e. contractual investment funds and investment companies with variable capital.

Funds of funds may be acquired up to a maximum of 15%.

c. UBS (CH) Suisse – 65 (CHF)

The main investment objective of UBS (CH) Suisse – 65 (CHF) is to achieve optimal capital growth from an accounting currency perspective.

This sub-fund invests its assets primarily in: investments from issuers which have their registered office in Switzerland; conduct the majority of their business in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland; or in investments denominated in Swiss francs (CHF). At least 40% and at most 90% of the sub-fund's assets, after deducting liquid assets, are invested in equity paper and rights (including derivatives on such investments and collective investment schemes that invest predominantly in such investments), and at least 5% and at most 50% of the sub-fund's assets, after deducting liquid assets, are invested in bonds, convertible bonds, convertible notes, warrant issues and notes, other fixed-income or floating-rate debt paper and rights (including derivatives on such investments and collective investment schemes that invest primarily in such investments), and money market instruments. Up to 25% of the sub-fund's assets are invested in listed target funds under Swiss law of the "other fund for alternative investments" or "real estate fund" type and undertakings for collective investment (UCIs) which correspond to "other funds for alternative investments" under Swiss law.

The redemption frequency of the target funds must correspond in principle to that of the fund of funds.

The target funds must be authorised as collective investment schemes in their country of domicile and must be subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and international administrative assistance must be ensured.

The target funds are open-ended collective investment schemes, i.e. contractual investment funds and investment companies with variable capital.

Funds of funds may be acquired up to a maximum of 15%.

1.9.2 Investment restrictions of the sub-funds

Including derivatives, the fund management company may invest up to a maximum of 10% of the assets of each sub-fund in securities and money market instruments from the same issuer.

The fund management company may invest up to 35% of the assets of each sub-fund in securities or money market instruments from the same issuer if these are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.

The Swiss Financial Market Supervisory Authority has authorised UBS Fund Management (Switzerland) AG to invest up to 100% of the sub-funds' assets in securities or money market instruments from the same issuer if these are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. The following are authorised issuers/guarantors:

the European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

1.9.3 Use of derivatives

The fund management company may use derivatives. However, even in exceptional market conditions, these may not result in a deviation from the investment objectives or a change in the investment character of the sub-funds.

Commitment Approach II is applied to the assessment of risk.

Derivatives form part of the investment strategy and are not used solely to hedge investment positions. In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.

Both basic types of derivatives and exotic derivatives may be used, the latter to a negligible extent, as described in more detail in the Fund Contract (cf. §12), provided the underlying securities are permitted as investments under the investment policy. The derivative transactions may be concluded on either an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading. In addition to market risks, derivatives are also subject to counterparty risk, i.e. the risk that the party to the contract may not be able to meet its obligations and may thus cause a financial loss. In addition to credit default swaps (CDS), all other types of credit derivatives may be acquired (e.g. total return swaps (TRS), credit spread options (CSO), credit linked notes (CLN)) by which credit risks can be transferred to third parties (risk buyers). The risk buyers receive a premium as compensation. The size of this premium depends, among other things, on the probability of a loss event occurring and the maximum size of the loss; both factors are generally difficult to assess, which increases the risk associated with credit derivatives. The sub-funds may act as both risk buyers and risk sellers.

The use of derivatives may have a leverage effect on a sub-fund's assets or may correspond to a short sale. The overall exposure of a sub-fund in derivatives may be up to 100% of its net assets and the overall exposure may thus be up to 200% of its net assets.

1.9.4 Collateral strategy for securities lending transactions and transactions in derivative financial instruments

Counterparty risks may occur in connection with securities lending transactions and transactions in derivative financial instruments. These risks are minimised as follows:

Extent of collateralisation:

All loans under securities lending transactions must be collateralised in full, with the value of the collateral amounting to at least 105% of the market value of the lent securities. Individual items of collateral may also be valued at a discount. This discount is based on the volatility of the markets and the forecast liquidity of the collateral. The collateralisation of derivatives transactions is based on the relevant rules for settling such types of transaction. Derivatives transactions settled centrally are always collateralised. The extent and amount are based on the respective regulations of the central counterparty or clearing house.

For derivatives transactions not settled centrally, the fund management company or its agents may enter into mutual collateral agreements with the counterparties. The value of the collateral exchanged must always be at least equivalent to the replacement value of the derivatives transactions outstanding. Individual items of collateral may also be valued at a discount. This discount is based on the volatility of the markets and the forecast liquidity of the collateral.

The following types of collateral are permitted:

- Equities traded on an exchange or other market open to the public which have a high level of liquidity and are included in a benchmark index.
- Listed ETFs in the form of securities funds, other funds for traditional investments under Swiss law or UCITS are deemed equivalent to equities if they track one of the above indices and replicate it physically. Swap-based, synthetically replicating ETFs are not permitted.
- Bonds traded on an exchange or other market open to the public where the issuer has a first-class credit rating. No rating is required for government bonds issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).

- Tradable treasury bills and notes with a government guarantee are deemed equivalent to government bonds if the government or issuer has a first-class rating or they are issued by the USA, Japan, the UK, Germany or Switzerland (including federal states and cantons).
- Money market funds, if they meet the SFAMA or CESR Guidelines for Money Market Funds, can be redeemed daily, and are of high quality or are classified as first-class by the fund management company.
- Cash in a freely convertible currency.

Safety margins

The following minimum discounts (% deduction from market value) apply to the collateralisation of loans under securities lending transactions:

Listed equities and ETFs	8%
Government bonds (incl. treasury bills and notes) issued or guaranteed by the USA, the UK, Japan, Germany or Switzerland (incl. cantons and municipalities)	0%
Other government bonds (incl. treasury bills and notes)	2%
Corporate Bonds	4%
Cash, if not in a fund currency	3%
Money market funds	4%

The following minimum discounts (% deduction from market value) apply to the collateralisation of derivatives not settled centrally, provided a collateralisation agreement has been entered into with the counterparty:

Cash	0%
Government bonds with a residual term of up to 1 year	1-3%
Government bonds with a residual term of 1 to 5 years	3-5%
Government bonds with a residual term of 5 to 10 years	4-6%
Government bonds with a residual term of over 10 years	5-7%

Cash collateral may be reinvested as follows and with the following risks:

Sight deposits or deposits with a short notice period, government bonds with a high credit rating, money market instruments with counterparties with a high credit rating and money market funds subject to the SFAMA or CESR Guidelines for Money Market Funds.

Cash collateral must always be reinvested in the same currency as the collateral is received in.

The fund management company regularly monitors the risks from reinvesting cash collateral. These investments are nevertheless subject to credit risk and the value can be impacted by fluctuations. In addition, a certain level of liquidity risk cannot be excluded.

1.10 Net asset value

The net asset value of a unit of a given class of a sub-fund is determined by the proportion of the market value of the sub-fund's assets attributable to that unit class, less any of the sub-fund's liabilities that are attributed to that unit class, divided by the number of units of that class in circulation. It will be rounded to CHF 0.01.

1.11 Fees and incidental costs

1.11.1 Fees and incidental costs charged to the sub-funds' assets (excerpt from § 19 of the fund contract)

Detailed information on the fees and incidental costs charged to the sub-funds' assets is presented in 1.5 of this prospectus.

The commission is used to cover the administration, asset management and, where applicable, the distribution activity in respect of the sub-funds and the activities described in § 6.4 B e–g of the fund contract, as well as all tasks of the custodian bank such as the safekeeping of the sub-funds' assets, the handling of payment transactions and the performance of the other tasks listed under § 4 of the fund contract.

A detailed list of the fees and incidental costs not covered by the flat fee can be found under § 19.2 of the fund contract.

Taking any retrocessions and rebates into account, the management fee of the target funds in which investments are made may not exceed 3%. However, they may, in accordance with the provisions of the prospectus, pay rebates to reduce the fees or costs incurred by the investor and charged to the relevant sub-fund.

To ensure ease of comparability with the remuneration rules of different fund providers that are not familiar with the flat fee, the term "management fee" is taken as being equivalent to 80% of the flat fee.

1.11.2 Total expense ratio

The coefficient of the total costs charged to the sub-funds' assets on an ongoing basis (total expense ratio, TER) was:

2020/2021:	" – 25 CHF"	unit class "P-dist"	1.35%
	" – 25 CHF"	unit class "Q-dist"	0.85%
	" – 45 CHF"	unit class "P-dist"	1.51%
	" – 45 CHF"	unit class "Q-dist"	0.95%
	" – 65 CHF"	unit class "P-dist"	1.68%
	" – 65 CHF"	unit class "Q-dist"	1.07%
2021/2022:	" – 25 CHF"	unit class "P-dist"	1.35%
	" – 25 CHF"	unit class "Q-dist"	0.85%
	" – 45 CHF"	unit class "P-dist"	1.50%
	" – 45 CHF"	unit class "Q-dist"	0.94%
	" – 65 CHF"	unit class "P-dist"	1.66%
	" – 65 CHF"	unit class "Q-dist"	1.06%

1.11.3 Payment of retrocessions, rebates and individually agreed upon fees

The fund management company and its agents may pay retrocessions as remuneration for distribution activity in respect of fund units in or from Switzerland. This remuneration may be deemed payment for the following services in particular:

- any activity aimed at promoting the distribution activity or transfer of fund units; including
- the organisation of roadshows;
- participation at events and trade fairs;
- the production of advertising material, the training of sales representatives, etc.

Retrocessions are not deemed to be rebates even if they are ultimately passed on, in full or in part, to the investors.

The recipients of the retrocessions must ensure transparent disclosure and inform investors, unsolicited and free of charge, about the amount of remuneration they may receive for the distribution activity.

On request, the recipients of retrocessions must disclose the amounts they actually receive for distributing the collective investment schemes of the investors concerned.

In respect of distribution in or from Switzerland, the fund management company and its agents may on request pay rebates directly to investors. The purpose of rebates is to reduce the fees or costs incurred by the investor in question. Rebates are permitted provided that

- they are paid from fees charged by the fund management company and therefore do not represent an additional charge to the fund assets;
- they are granted on the basis of objective criteria;
- all investors who meet these objective criteria and request rebates are also granted these within the same timeframe and to the same extent.

The objective criteria for the granting of rebates by the fund management company are as follows:

- the volume subscribed by the investor or the total volume they hold in the collective investment scheme or, where applicable, in the product range of the promoter;
- the amount of the fees generated by the investor;
- the investment behaviour shown by the investor (e.g. expected investment period);
- the investor's willingness to provide support in the launch phase of a collective investment scheme.

At the request of the investor, the fund management company must disclose the amounts of such rebates free of charge.

In connection with "execution-only" mandates, the fund management company and its agents may determine the fees by way of individual agreements with investors for unit classes "I-B", "I-X" and "U-X". The conditions for individually agreed upon fees are based on the conditions governing rebates. Individually agreed upon fees are therefore permissible provided that:

- they do not represent an additional charge to the assets of the sub-fund;
- they are determined based on objective criteria;
- equal treatment is given to all investors who meet these objective criteria and request an individually agreed upon fee within the same timeframe.

If the fund management company and its agents determine the fees individually with investors for the corresponding unit classes, the following objective criteria shall apply:

- the investment volume held by the investor in the umbrella fund or sub-fund;
- if applicable, the total volume in and total proceeds held by the investor from the promoter's product range (including UBS Group, UBS Investment Foundations, etc.);
- the investment behaviour practised by the investor (e.g. expected duration of their investment);

- the investor's willingness to provide support in the launch phase of the sub-fund.

At the request of the investor, the fund management company or its agents shall disclose free of charge the application of the criteria to the investor's situation and the resulting fee.

1.11.4 Fees and incidental costs charged to the investor (excerpt from § 18 of the fund contract)

Issuing commission accruing to the fund management company, custodian bank and/or distributors in Switzerland and abroad: a maximum of 4%.

1.11.5 Commission sharing agreements and soft commissions

The fund management company has not concluded commission sharing agreements.

The fund management company has not concluded agreements in respect of soft commissions.

1.11.6 Investments in associated collective investment schemes

No issuing and redemption commissions are charged in the case of investments in other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company with which it is related by virtue of common management or control or by way of a significant direct or indirect interest.

1.12 Viewing the reports

The prospectus with integrated fund contract, the key information document, and the annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

1.13 Legal form of the umbrella fund and its sub-funds

UBS (CH) Suisse is a contractual umbrella fund under Swiss law of the type "other fund for traditional investments" in accordance with the Swiss Federal Act on Collective Investment Schemes of 23 June 2006. The sub-funds are based upon a collective investment agreement (fund contract), under which the fund management company undertakes to provide the investor with a stake in the relevant sub-fund in proportion to the fund units acquired by the said investor, and to manage this sub-fund at its own discretion and for its own account in accordance with the provisions of the law and the fund contract. The custodian bank is party to the fund contract in accordance with the tasks conferred upon it by the law and the fund contract.

Investors are only entitled to an interest in the assets and income of the sub-fund in which they hold units. Any liabilities attributable to individual sub-funds are borne solely by the individual sub-fund concerned.

In accordance with the fund contract, the fund management company is entitled to create, liquidate or merge different unit classes for each sub-fund at any time, subject to the consent of the custodian bank and the approval of the supervisory authority.

1.14 The material risks

The material risks associated with this sub-fund are: The investments in the sub-fund are subject to normal market fluctuations and other risks associated with investments in securities. There is no guarantee that the value of the investments will increase. Both the value and income of the investments can fall or rise. There is no guarantee that the investment objective will actually be achieved. There is no guarantee that investors will obtain a specific income or be able to redeem the units with the fund management company at a specific price.

The currency denomination included in the name of the sub-fund refers solely to the currency used to measure the performance of the sub-fund, and not to the investment currency of the sub-fund. Investments are made in the currencies that are best suited to the performance of the sub-fund.

1.15 Liquidity risk management/information on the liquidity management process

The fund management company ensures liquidity is managed appropriately. In order to be able to guarantee in principle the right of investors to redeem their units at any time (Art. 78 para. 2 CISA), the fund management company regularly monitors the liquidity risks of both the individual investments with regard to their marketability and of the sub-funds with regard to meeting redemptions. The fund management company assesses the liquidity of the sub-funds on a monthly basis under various scenarios and documents these. To this end, the fund management company has defined and implemented processes that make it possible to identify, monitor and report these liquidity risks. To identify the liquidity risks of the investments and to calculate individual liquidity thresholds at sub-fund level, the fund management company relies on models that have been tested in the market and verified by UBS Group specialists. The liquidity thresholds are used to monitor stress reduction scenarios at sub-fund level.

1.16 Fund of funds structure

Since the individual sub-funds of UBS (CH) Suisse can invest primarily in other collective investment schemes, UBS (CH) Suisse is regarded as a fund of funds. This particular structure has significant advantages over funds that invest directly:

- By investing in existing collective investment schemes (target funds), a broader diversification or risk distribution is achieved compared with funds with direct investments;
- The diversification of funds of funds is not limited to their own investments, as the target funds are also subject to the

stricter requirements of risk spreading. Funds of funds enable the investor to invest in a product that spreads risk on two levels, thus minimising the risk of the individual target funds.

The disadvantage of a fund of funds structure compared with funds that invest directly is in particular:

- Certain fees and incidental costs may be incurred twice when investing in units of existing collective investment schemes (e.g. fees charged by the custodian bank and the central administration, issue and redemption commissions from the target funds in which the investment was made). These fees and costs are charged both at the level of the target fund and at the level of the fund of funds itself.

Details of the general fees and incidental costs are set out in 5.3 below.

1.17 Due diligence in the acquisition of target funds

The target funds are selected according to quantitative and qualitative criteria. The quantitative analysis examines the historical relationship between risk and return over various time horizons. The qualitative review involves an in-depth assessment of the reputation of the fund management company, its corporate infrastructure, investment style, investment processes and internal risk controls. Both the qualitative and quantitative assessment results are subject to regular review.

2 Information on the fund management company

2.1 General information on the fund management company

The fund management company is UBS Fund Management (Switzerland) AG. The fund management company, which has its registered office in Basel, has been active in the fund business since its formation as an Aktiengesellschaft (stock corporation) in 1959.

2.2 Further information on the fund management company

As at 31 December 2022, the fund management company managed a total of 407 securities funds and eight real estate funds in Switzerland with assets totalling CHF 302,081 million.

Furthermore, the fund management company provides the following specific services:

- administration services for collective investment schemes
- representation of foreign collective investment schemes

2.3 Board of Directors and decision-making bodies

Board of Directors

Michael Kehl
Chairman
Managing Director

Dr Daniel Brüllmann
Vice-Chairman
Managing Director

Francesca Gigli Prym
Managing Director

UBS Asset Management
Switzerland AG Zurich

UBS Asset Management
Switzerland AG Zurich

UBS Fund Management (Luxembourg)
S.A.,
Luxembourg

Dr Michèle Sennhauser
Member
Executive Director,

Franz Gysin
Independent Member

Werner Strelbel
Independent Member

UBS Asset Management Switzerland AG,
Zurich

Executive Board

Eugène Del Cioppo
CEO

George Pfister
Deputy CEO and Operating Office,
Finance & HR

Urs Fäs
Real Estate Funds

Christel Müller
Business Risk Management

Thomas Reisser
Compliance & Operational Risk Control

Matthias Börlin
Admin, Custody & Tax Oversight

Daniel Diaz

Delegation & Investment Risk Management

Melanie Gut

Corporate & Regulatory Governance

Patric Schläpfer

Corporate Services

Hubert Zeller

White Labelling Solutions Switzerland

2.4 Subscribed and paid-up capital

The subscribed share capital of the fund management company amounts to CHF 1 million. The share capital is divided into registered shares and has been fully paid up. UBS Fund Management (Switzerland) AG is a wholly owned group company of UBS Group AG.

2.5 Exercise of membership and creditors' rights

The fund management company exercises the membership and creditors' rights associated with the investments of the sub-funds it manages independently and exclusively in the interests of the investors. The fund management company will, upon request, provide investors with information on the exercise of membership and creditors' rights.

In the case of scheduled routine transactions, the fund management company is free to exercise membership and creditors' rights itself or to delegate their exercise to the custodian bank or a third party, and to choose not to exercise the membership and creditors' rights.

In the case of all other events that might have a lasting impact on the interests of the investors, such as, in particular, the exercise of membership and creditors' rights the fund management company holds as a shareholder or creditor of the custodian bank or another related legal entity, the fund management company will exercise the voting rights itself or issue explicit instructions. In such cases, it may base its actions on information it receives from the custodian bank, the asset manager, the company concerned, or from voting rights advisors or other third parties, or that it ascertains from the media.

3 Information on the custodian bank

3.1 General information on the custodian bank

The custodian bank is UBS Switzerland AG. The Bank was founded in 2014 as a stock corporation with its registered office in Zurich, and with effect from 14 June 2015, it took over the Private and Corporate Banking business booked in Switzerland as well as the Wealth Management business of UBS AG booked in Switzerland.

3.2 Further information on the custodian bank

As a universal bank, UBS Switzerland AG offers a wide range of banking services.

UBS Switzerland AG is a group company of UBS Group AG. With consolidated total assets of USD 1,104,364 million and published capital and reserves of USD 57,218 million as at 31 December 2022, UBS Group AG is financially one of the strongest banks in the world. It employs a staff of 72,597 worldwide and has an extensive network of branches.

The custodian bank may transfer the safekeeping of the fund assets to third-party and central depositories in Switzerland or abroad, provided this is in the interests of proper safekeeping.

Financial instruments may only be transferred to regulated third-party and central depositories. This does not apply to mandatory safekeeping at a location where the transfer of safekeeping to regulated third-party and central depositories is not possible, in particular owing to mandatory legal provisions or to the particular arrangements for the investment product in question.

This is subject to the following risks: The use of third-party and central depositories means that deposited securities are no longer owned solely by the fund management company, which instead becomes only a co-owner. Furthermore, if the third-party custodians and central securities depositories are not subject to supervision, they are unlikely to meet the organisational requirements imposed on Swiss banks. The custodian bank is liable for damage or loss caused by its agents unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction and monitoring.

The custodian bank is registered with the US tax authorities as a Reporting Financial Institution under a Model 2 IGA pursuant to sections 1471 through 1474 of the U.S. Internal Revenue Code (Foreign Account Tax Compliance Act, including the corresponding rulings, "FATCA").

4 Information on third parties

4.1 Paying agents

The paying agents are UBS Switzerland AG, Bahnhofstrasse 45, 8001 Zurich and its branches in Switzerland.

4.2 Distributors

UBS Asset Management Switzerland AG, Zurich, is responsible for the distribution of the sub-funds.

4.3 Delegation of investment decisions

Investment decisions in respect of the sub-funds have been delegated to UBS Switzerland AG, Zurich and UBS Asset Management Switzerland AG, Zurich. UBS Switzerland AG as a bank and UBS Asset Management Switzerland AG as an asset management company are subject in Switzerland to supervision by the Swiss Financial Market Supervisory Authority (FINMA). Precise details of how their remit is to be fulfilled are laid down in an asset management agreement between UBS Fund Management (Switzerland) AG, UBS Switzerland AG and UBS Asset Management Switzerland AG.

4.4 Delegation of administration

The administration of the investment fund, in particular accounting, calculation of the net asset value, tax settlement, operation of IT systems and preparation of statements of accounts, has been delegated to Northern Trust Global Services SE, Leudelange, Luxembourg, Basel branch.

The precise duties involved are set out in an agreement between the parties.

All other fund management duties and the monitoring of other delegated duties are carried out in Switzerland.

5 Further information

5.1 Key data

a. UBS (CH) Suisse – 25 (CHF)

Valor number	Unit class	"P-dist"	10973898
		"K-1-dist"	
		"Q-dist"	21019351
		"F-dist"	
		"I-A1-dist"	
		"I-A2-dist"	
		"I-A3-dist"	
		"I-B-dist"	
		"I-X-dist"	
		"U-X-dist"	
ISIN	Unit class	"P-dist"	CH0109738986
		"K-1-dist"	
		"Q-dist"	CH0210193519
		"F-dist"	
		"I-A1-dist"	
		"I-A2-dist"	
		"I-A3-dist"	
		"I-B-dist"	
		"I-X-dist"	
		"U-X-dist"	
Listing	None; fund units are issued and redeemed daily.		
Financial year	1 September to 31 August		
Term	Unlimited		
Accounting Currency	Swiss franc (CHF)		
Units	Unit classes "P-dist", "K-1-dist" and "Q-dist" are made out to the bearer; units do not take the form of actual certificates, but exist purely as book entries. Unit classes "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X" are registered; units do not take the form of actual certificates, but exist purely as book entries.		
Appropriation of income	The net income is generally distributed to the investors within four months of the close of the financial year, free of charge. As a rule, capital gains are not distributed, but are retained in the fund for the purpose of reinvestment.		

b. UBS (CH) Suisse – 45 (CHF)

Valor number	Unit class	"P-dist"	10973899
		"K-1-dist"	
		"Q-dist"	21019353
		"F-dist"	
		"I-A1-dist"	
		"I-A2-dist"	
		"I-A3-dist"	
		"I-B-dist"	
		"I-X-dist"	
		"U-X-dist"	
ISIN	Unit class	"P-dist"	CH0109738994
		"K-1-dist"	
		"Q-dist"	CH0210193535
		"F-dist"	

		"I-A1-dist"	
		"I-A2-dist"	
		"I-A3-dist"	
		"I-B-dist"	
		"I-X-dist"	
		"U-X-dist"	
Listing	None; fund units are issued and redeemed daily.		
Financial year	1 September to 31 August		
Term	Unlimited		
Accounting currency	Swiss franc (CHF)		
Units	Unit classes "P-dist", "K-1-dist" and "Q-dist" are made out to the bearer; units do not take the form of actual certificates, but exist purely as book entries. Unit classes "K-2-dist", "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X-dist" are registered; units do not take the form of actual certificates, but exist purely as book entries.		
Appropriation of income	The net income is generally distributed to the investors within four months of the close of the financial year, free of charge. As a rule, capital gains are not distributed, but are retained in the fund for the purpose of reinvestment.		

c. UBS (CH) Suisse – 65 (CHF)

Valor number	Unit class	"P-dist"	10973900
		"K-1-dist"	
		"Q-dist"	21019358
		"F-dist"	
		"I-A1-dist"	
		"I-A2-dist"	
		"I-A3-dist"	
		"I-B-dist"	
		"I-X-dist"	
		"U-X-dist"	
ISIN	Unit class	"P-dist"	CH0109739000
		"K-1-dist"	
		"Q-dist"	CH0210193584
		"F-dist"	
		"I-A1-dist"	
		"I-A2-dist"	
		"I-A3-dist"	
		"I-B-dist"	
		"I-X-dist"	
		"U-X-dist"	
Listing	None; fund units are issued and redeemed daily.		
Financial year	1 September to 31 August		
Term	Unlimited		
Accounting currency	Swiss franc (CHF)		
Units	Unit classes "P-dist", "K-1-dist" and "Q-dist" are made out to the bearer; units do not take the form of actual certificates, but exist purely as book entries. Unit classes "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X-dist" are registered; units do not take the form of actual certificates, but exist purely as book entries.		
Appropriation of income	The net income is generally distributed to the investors within four months of the close of the financial year, free of charge. As a rule, capital gains are not distributed, but are retained in the fund for the purpose of reinvestment.		

5.2 Publication of official notices by the umbrella fund and sub-funds

Further information on the umbrella fund and sub-funds may be found in the latest annual or semi-annual report. The latest information can also be found on the Internet at www.ubs.com/fonds.

In the event of an amendment to the fund contract, a change of fund management company or of custodian bank, as well the dissolution of the sub-funds, the corresponding notice will be published by the fund management company with Swiss Fund Data AG (www.swissfunddata.ch).

Prices are published for all unit classes of each sub-fund for each day on which units are issued or redeemed (daily) on the website of Swiss Fund Data AG at www.swissfunddata.ch, on the Internet at www.ubs.com/fonds as well as in any other electronic media and Swiss and international newspapers.

5.3 Sales restrictions

The regulations valid in the country in question apply to the issue and redemption of units of the sub-funds outside Switzerland. Units of sub-funds may not be offered, sold or delivered within the United States.

Units of this fund may not be offered, sold or delivered to investors who are US persons. A US person is someone who:

- (i) is a United States person within the meaning of Section 7701(a)(30) of the US Internal Revenue Code of 1986, as amended, and the Treasury Regulations enacted in the framework of the Code;
- (ii) is a US person within the meaning of Regulation S under the US Securities Act of 1933 (17 CFR § 230.902(k));
- (iii) is not a Non-United States person within the meaning of Rule 4.7 of the US Commodity Futures Trading Commission Regulations (17 CFR § 4.7(a)(1)(iv));
- (iv) resides in the United States within the meaning of Rule 202(a)(30)-1 under the US Investment Advisers Act of 1940, as amended; or
- (v) any trust, entity or other structure formed for the purpose of allowing US persons to invest in this fund.

6. Further investment information

6.1 Profile of the typical investor

The sub-funds are suitable for investors who do not wish to implement the investment strategy of their assets themselves but delegate it to the asset manager.

6.2 Detailed regulations

All further information on the umbrella fund and sub-funds, such as the method used for the valuation of the sub-funds' assets, a list of all fees and incidental costs charged to the investor and the sub-funds, and the appropriation of net income, can be found in detail in the fund contract.

Part II Fund contract

I. Basic principles

§ 1 Name of the fund; name and registered office of the fund management company, custodian bank and asset manager

1. A contractual umbrella fund of the other fund for traditional investments type has been established under the name of UBS (CH) Suisse (the "umbrella fund" or the "fund") in accordance with Art. 25 et seq. in conjunction with Art. 68 et seq. in conjunction with Art. 92 et seq. of the Swiss Federal Act on Collective Investment Schemes of 23 June 2006 (CISA), which is divided into the following sub-funds:

- 25 (CHF)
- 45 (CHF)
- 65 (CHF)

2. The fund management company is UBS Fund Management (Switzerland) AG, Basel.

3. The custodian bank is UBS Switzerland AG, Zurich.

4. The asset managers are UBS Switzerland AG, Zurich, and UBS Asset Management Switzerland AG, Zurich.

II. Rights and obligations of the contracting parties

§ 2 The fund contract

The legal relationship between the investor, on the one hand, and the fund management company and the custodian bank, on the other, is governed by the present fund contract and the applicable provisions of the legislation on collective investment schemes.

§ 3 The fund management company

1. The fund management company manages the sub-funds independently and in its own name, but for the account of the investors. It decides in particular on the issue of units, the investments and their valuation. It calculates the net asset value of the sub-funds and determines the issue and redemption prices of units as well as distributions of income. It exercises all rights associated with the umbrella fund and sub-funds.

2. The fund management company and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They shall report on the collective investment schemes they manage and provide information on all fees and costs charged directly or indirectly to investors and on compensation received from third parties, in particular commissions, rebates and other monetary benefits.

3. The fund management company may delegate investment decisions and specific tasks for all or individual sub-funds, provided this is in the interests of proper management. It shall only engage persons who have the necessary skills, knowledge and experience for this activity and the required authorisation. It must carefully instruct and supervise the third parties it uses.

Investment decisions may be delegated only to asset managers who have the necessary authorisation.

The fund management company is liable for the actions of its agents as if they were its own actions.

4. The fund management company may, with the consent of the custodian bank, submit a change to the present fund contract to the supervisory authority for approval (cf. § 27).

5. The fund management company may merge individual sub-funds with other sub-funds or other investment funds pursuant to the provisions set down under § 24, convert them into another legal form of collective investment scheme in accordance with the provisions of § 25 or liquidate them pursuant to the provisions set down under § 26.

6. The fund management company is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be exempt from any liabilities which may have arisen in the course of the proper execution of its duties, and to be reimbursed for expenses incurred in connection with such liabilities.

§ 4 The custodian bank

1. The custodian bank is responsible for the safekeeping of the sub-funds' assets. It handles the issue and redemption of fund units as well as payment transfers on behalf of the sub-funds.

2. The custodian bank and its agents are subject to the duties of loyalty, due diligence and disclosure. They act independently and exclusively in the interests of the investors. They implement the organisational measures that are necessary for proper management. They shall report on the collective investment schemes they manage and provide the necessary information on all fees and costs charged directly or indirectly to investors and on compensation received from third parties, in particular commissions, rebates and other monetary benefits.

3. The custodian bank is responsible for account and safekeeping account management on behalf of the investment fund, but cannot independently dispose of its assets or those of the sub-funds.
4. The custodian bank ensures that, in the case of transactions relating to the assets of the investment fund and sub-funds, the counter value is transferred within the usual time limit. It notifies the fund management company if the counter value is not remitted within the usual time limit and, where possible, requests reimbursement for the asset item concerned from the counterparty.
5. The custodian bank keeps the required records and accounts in such a manner that it is, at all times, able to distinguish between the assets held in safekeeping for the individual investment funds and sub-funds.

In relation to assets that cannot be taken into safekeeping, the custodian bank verifies ownership by the fund management company, and keeps a record thereof.

6. The custodian bank may transfer the safekeeping of the fund assets to third-party and central depositories in Switzerland or abroad, provided this is in the interests of proper safekeeping. The custodian bank verifies and monitors that the third-party or central depository it appoints:
 - a. possesses an appropriate organisational structure, financial guarantees and the specialist qualifications required given the nature and complexity of the assets entrusted to it;
 - b. is subject to regular external audits, thereby ensuring that it possesses the financial instruments;
 - c. the assets received from the custodian bank are held in safekeeping in such a manner that by means of regular portfolio comparisons they can, at all times, be clearly identified as belonging to the fund assets;
 - d. complies with the provisions applicable to the custodian bank with respect to the performance of the tasks delegated to it and the avoidance of conflicts of interest.

The custodian bank is liable for damage or loss caused by its agents unless it is able to prove that it exercised the due diligence required in the circumstances in respect of selection, instruction and monitoring. The prospectus contains information on the risks associated with the transfer of safekeeping to third-party and central depositories.

In respect of financial instruments, the transfer of safekeeping in the sense of the previous paragraph may be made only to regulated third-party and central depositories. This does not apply to mandatory safekeeping at a location where the transfer of safekeeping to regulated third-party or central depositories is not possible, in particular owing to mandatory legal provisions or to the particular arrangements for the investment product in question. Investors must be informed in the prospectus of safekeeping with non-regulated third-party or central depositories.

7. The custodian bank ensures that the fund management company complies with the law and the fund contract. It verifies that the calculation of the net asset values and of the issue and redemption prices of the units, as well as the investment decisions, are in compliance with the law and the fund contract, and that net income is appropriated in accordance with the fund contract. The custodian bank is not responsible for the choice of investments which the fund management company makes in accordance with the investment regulations.
8. The custodian bank is entitled to receive the fees stipulated in §§ 18 and 19. It is further entitled to be exempt from any liabilities which may have arisen in the course of the proper execution of its duties and to be reimbursed for expenses incurred in connection with such liabilities.
9. The custodian bank is not responsible for the safekeeping of the assets of the target funds in which the sub-funds invest, unless this task has been delegated to it.

§ 5 The investor

1. There are no restrictions in terms of investor eligibility. Restrictions are possible for individual classes in accordance with § 6.4.

The fund management company ensures together with the custodian bank that the investors meet the requirements in respect of investor eligibility.

2. On concluding the contract and making a payment in cash, the investor acquires a claim against the fund management company in respect of participation in the assets and income of a sub-fund of the umbrella fund. The investor's claim is evidenced in the form of fund units.
3. Investors are obliged only to remit payment for the units of the relevant sub-fund they subscribe. They are not held personally liable for the liabilities of the umbrella fund or sub-funds.
4. Investors are only entitled to the assets and income of the sub-fund in which they hold an interest. Only the relevant

sub-fund is liable for the liabilities attributable to an individual sub-fund.

5. Investors may obtain information concerning the basis of the calculation of the net asset value per unit from the fund management company at any time. If investors assert an interest in more detailed information on specific business transactions effected by the fund management company, such as the exercise of membership and creditors' rights, or on risk management, they must be given such information by the fund management company at any time. The investors may request before the courts of the registered office of the fund management company that the audit firm or another expert investigate the matter which requires clarification and furnish the investors with a report.
6. The investors may terminate the fund contract at any time and demand that their share in the relevant sub-fund be paid out in cash.
7. Upon request, the investors are obliged to provide the fund management company and/or the custodian bank and their agents with proof that they comply with or continue to comply with the conditions laid down in the law or the fund contract in respect of participation in a sub-fund or in a unit class. Furthermore, they are obliged to inform the fund management company, the custodian bank and their agents immediately if they cease to meet these conditions.
8. The sub-fund or a unit class may be subject to a "soft closing", whereby investors may not subscribe to units if the fund management company believes the closing is necessary to protect the interests of existing investors. In reference to this investment fund or unit class, the soft closing shall apply to new subscriptions or switches into the investment fund or unit class, but not to redemptions, transfers or switches out of the investment fund or unit class. The investment fund or unit class may be subject to a soft closing without notifying the investors.
9. The fund management company, in cooperation with the custodian bank, must make an enforced redemption of the units of an investor at the current redemption price if:
 - a. this is necessary to safeguard the reputation of the financial market, and specifically to combat money laundering;
 - b. the investor no longer meets the statutory or contractual conditions for participation in a sub-fund.
10. The fund management company, in cooperation with the custodian bank, may also make an enforced redemption of the units of an investor at the current redemption price if:
 - a. the participation of the investor in a sub-fund is such that it might have a significant detrimental impact on the economic interests of the other investors, in particular if the participation might result in tax disadvantages for the umbrella fund or a sub-fund in Switzerland or abroad;
 - b. the investor has acquired or holds their units in violation of provisions of a law to which they are subject either in Switzerland or abroad, of the present fund contract or the prospectus;
 - c. there is a detrimental impact on the economic interests of the investors, in particular in cases in which individual investors seek by way of systematic subscriptions and immediate redemptions to achieve a financial benefit by exploiting the time differences between the setting of the closing prices and the valuation of the sub-funds' assets (market timing).

§ 6 Units and unit classes

1. The fund management company may establish different unit classes and may also merge or dissolve unit classes for each sub-fund at any time subject to the consent of the custodian bank and the approval of the supervisory authority. All unit classes embody an entitlement to a share in the undivided assets of the relevant sub-fund, which are not segmented. This share may differ owing to class-specific costs or distributions or class-specific income and the various classes of a sub-fund may therefore have different net asset values per unit. The assets of the sub-fund as a whole are liable for class-specific costs.
2. Notification of the creation, dissolution or merger of unit classes is published in the medium of publication. Only mergers are deemed a change to the fund contract pursuant to § 27.
3. The various unit classes of the sub-funds may differ from one another in terms of their cost structure, reference currency, currency hedging, policy with regard to distribution or reinvestment of income, the minimum investment required, and investor eligibility.

Fees and costs are charged only to the unit class for which the service in question is performed. Fees and costs that cannot be allocated unequivocally to a specific unit class are charged to the individual unit classes on a pro rata basis in relation to their share of the sub-fund's assets.
4. At present, there are the following unit classes for the sub-funds "– 25 (CHF)", "– 45 (CHF)" and "– 65 (CHF)", designated "P-dist", "K-1-dist", "Q-dist", "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X-dist".
 - A. The following unit classes are not restricted to certain investors:

- a. "P-dist": Units in unit class "P-dist" are offered to all investors. A minimum subscription or minimum amount is not required. Unit class "P-dist" differs from unit class "K-1-dist" with regard to the amount of the flat fee and the initial issue price (see prov. 1.5, table in the prospectus). The units in unit class "P-dist" are only issued as bearer units. The issue and redemption of units through contributions and redemptions in kind (cf. § 17.7) is excluded for units in unit class "P".
- b. "K-1-dist": Units in unit class "K-1-dist" are offered to all investors. A minimum subscription or minimum amount is not required. Investors who wish to invest in this unit class must subscribe to units for an amount equal to the initial subscription price. For further subscriptions, they must subscribe at least the difference between the value of the units they already hold and the initial subscription price. If an investor holds units of the unit class in the value of the mentioned initial issue price, any subsequent subscription shall be accepted. Unit class "K-1-dist" differs from unit class "P-dist" with regard to the amount of the flat fee and the initial issue price and the smallest tradable unit (see 1.5, table). The units in unit class "K-1-dist" are only issued as bearer units. The issue and redemption of units through contributions and redemptions in kind (cf. § 17.7) is excluded for units in unit class "K-1-dist".

B. The following unit classes are restricted to certain investors:

- a. "Q-dist": Units in unit class "Q-dist" are exclusively offered to financial intermediaries that act for their own account and/or to clients of such financial intermediaries who, in accordance with regulatory requirements, are not permitted to receive a distribution commission and/or who, under written agreements with their clients or agreements with them about fund savings plans, may only offer them classes without retrocession, if available in the relevant investment fund.

Unit class "Q-dist" differs from unit classes "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the amount of the commission, and from unit classes "F-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the commission structure. Unit class "Q-dist" also differs from unit classes "I-A2-dist" and "I-A3-dist" in that no minimum subscription or minimum amount is required, and from unit class "U-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in unit class "Q-dist" are only issued as bearer units. The issue and redemption of units through contributions and redemptions in kind (cf. § 17.7) is excluded for units in unit class "Q-dist".

- b. "F-dist": Units in unit class "F-dist" may only be offered to investors who have entered into a written investment management mandate with group companies of UBS Group AG. Unit class "F-dist" differs from unit classes "Q-dist", "I-A1-dist", "I-A2-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the amount of the commission, and from unit classes "Q-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the commission structure. Unit class "F-dist" also differs from unit classes "I-A2-dist" and "I-A3-dist" in that no minimum subscription or minimum amount is required, and from unit class "U-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in unit class "F-dist" are only issued as registered units. The issue and redemption of units through contributions and redemptions in kind (cf. § 17.7) is excluded for units in unit class "F".
- c. "I-A1-dist": Units in unit class "I-A1-dist" are exclusively offered to qualified investors pursuant to Art. 10 para. 3 and 3ter CISA. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. In contrast to unit classes "I-A2-dist" and "I-A3-dist", no minimum subscription and no minimum amount is required for this unit class. Unit class "I-A1-dist" differs from unit classes "Q-dist", "F-dist", "I-A2-dist", "I-A3-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the amount of the commission. Unit class "I-A1-dist" also differs from unit classes "F-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the commission structure, and from unit class "U-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in unit class "I-A1-dist" are only issued as registered units.
- d. "I-A2-dist", "I-A3-dist": Units in these unit classes are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or a contractual partner authorised by UBS AG – or the written consent of UBS Asset Management Switzerland AG – or a contractual partner authorised by the latter for the purpose of investment in the assets of this investment fund for the purpose of investment in the assets of this investment fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. Unit class "I-A2-dist" differs from unit classes "Q-dist", "F-dist", "I-A1-dist", "I-B-dist", "I-X-dist" and "U-X-dist", and unit class "I-A3-dist" from unit classes "Q-dist", "I-A1-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the amount of the commission. Unit classes "I-A2-dist" and "I-A3-dist" also differ from unit classes "Q-dist", "F-dist", "I-A1-dist", "I-B-dist", "I-X-dist" and "U-X-dist" in that a minimum subscription and minimum amount are required. Finally, both unit classes differ from unit classes "F-dist", "I-B-dist", "I-X-dist" and "U-X-dist" with regard to the commission structure, and from unit class "U-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in these unit classes are only issued as registered units.

- e. "I-B-dist": Units in unit class "I-B-dist" are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or a contractual partner authorised by UBS AG for the purpose of investment in the assets of this investment fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs for the administration of the fund (encompassing fund management company, administration and custodian bank) are charged directly to the assets of the fund by means of commission. The additional costs for asset management and distribution are charged to the investor under the written agreement. The fee schedule set out in this agreement may vary depending on the investor (cf. prov. 1.11.3 of the prospectus). Unit class "I-B-dist" differs from unit classes "Q-dist", "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-X-dist" and "U-X-dist" with regard to the amount and structure of the commission, from unit classes "I-A2-dist" and "I-A3-dist" in that no minimum subscription or minimum amount is required, and from unit class "U-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in unit class "I-B-dist" are only issued as registered units.
- f. "I-X-dist": Units in unit class "I-X-dist" are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or a contractual partner authorised by UBS AG for the purpose of investment in the assets of this investment fund. Private clients pursuant to Art. 10 para. 3ter CISA who receive investment advice from a financial intermediary within the framework of a long-term investment advisory relationship do not qualify for this unit class. The costs for asset management, the administration of the fund (encompassing fund management company, administration and custodian bank) and distribution are charged to the investor under the written agreement. The fee schedule set out in this agreement may vary depending on the investor (cf. Prov. 1.11.3 of the prospectus). Unit class "I-X-dist" differs from unit classes "Q-dist", "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist" and "I-B-dist" with regard to the amount and structure of the commission, from unit classes "I-A2-dist" and "I-A3-dist" in that no minimum subscription or minimum amount is required, and from unit class "U-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in unit class "I-X-dist" are only issued as registered units.
- g. "U-X-dist": Units in unit class "U-X-dist" are exclusively offered to qualified investors pursuant to Art. 10 para. 3–3ter CISA who have signed a written agreement with UBS Asset Management Switzerland AG or a contractual partner authorised by UBS AG for the purpose of investment in the assets of this investment fund. The costs for asset management, the administration of the fund (encompassing fund management company, administration and custodian bank) and distribution are charged to the investor under the written agreement. The fee schedule set out in this agreement may vary depending on the investor (cf. Prov. 5.3 of the prospectus). This unit class is exclusively geared to financial products (i.e. funds of funds or other pooled structures pursuant to various laws). Unit class "U-X-dist" differs from unit classes "Q-dist", "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist" and "I-B-dist" with regard to the amount and structure of the commission, from unit classes "I-A2-dist" and "I-A3-dist" in that no minimum subscription or minimum amount is required, and from unit classes "Q-dist", "F-dist", "I-A1-dist", "I-A2-dist", "I-A3-dist", "I-B-dist" and "I-X-dist" with regard to the initial issue price, which is listed in the prospectus (1.5, table). The units in unit class "U-X-dist" are only issued as registered units.

Fees for investors in unit classes "I-B", "I-X" and "U-X" who have entered into a written agreement may vary on the basis of the individually agreed fee arrangements (cf. prov. 1.11.3 of the prospectus).

5. Units do not take the form of actual certificates, but exist purely as book entries. Investors are not entitled to demand the delivery of a registered or bearer unit certificate. If unit certificates have been issued, they must be returned at the latest with the application for redemption.
6. The fund management company and the custodian bank are obliged to instruct investors who no longer meet the conditions for holding a unit class that, within 30 calendar days, they must redeem their units pursuant to § 17, transfer them to a person who does meet the aforementioned conditions, or convert them into units of another unit class of the relevant sub-fund whose conditions they do meet. If an investor fails to comply with this demand, the fund management company must, in cooperation with the custodian bank, make an enforced conversion into another unit class of the relevant sub-fund or, should this not be possible, enforce the redemption of the units in question pursuant to § 5.9.

III. Investment policy guidelines

A. Investment principles

§ 7 Compliance with investment restrictions

1. In selecting individual investments of each sub-fund, the fund management company must adhere to the principle of balanced risk diversification and must observe the percentage limits defined below. These percentages relate to the assets of the individual sub-funds at market value and must be complied with at all times. The individual sub-funds must have fulfilled the terms of the investment restrictions no later than six months after the expiry of the subscription period (launch).
2. If the limits are exceeded as a result of market-related changes, the investments must be restored to the permitted level within a reasonable period, taking due account of the investors' interests. If the limits relating to derivatives pursuant to § 12 below are exceeded as a result of a change in the delta, this is to be rectified within three bank working

days at the latest, taking due account of the investors' interests.

§ 8 Investment policy

1. The currency denomination included in the name of the sub-funds of the investment fund refers solely to the currency used to measure the performance of the respective sub-fund, and not to the investment currency of the sub-fund. Investments are made in the currencies that are best suited to the performance of the sub-fund.

Within the framework of the specific investment policy of each sub-fund, the fund management company may invest the assets of the individual sub-funds in the following investments in accordance with section 2. The risks involved in these investments must be disclosed in the prospectus.

- a. Securities, i.e. transferable securities issued on a large scale and non-securitised rights with the same function (uncertified securities) that are traded on an exchange or other regulated market open to the public, and that embody a participation right or claim, or the right to acquire such securities and uncertified securities by way of subscription or exchange, for example warrants.
Investments in securities from new issues are permitted only if their terms of issue provide for their admission to an exchange or other regulated market open to the public. If they have not been admitted to an exchange or other regulated market open to the public within one year after their acquisition, these securities must be sold within one month or included under the restriction set down in section 1f.
- b. Derivatives, if (i) the underlyings are securities as defined in a; derivatives as defined in b; units in collective investment schemes as defined in c; money market instruments as defined in d; financial indices, interest rates, exchange rates, credits or currencies; and (ii) the underlyings are permitted as investments under the fund contract. Derivatives are either traded on an exchange or other regulated market open to the public, or are traded OTC. OTC transactions are permitted only if (i) the counterparty is a regulated financial intermediary specialising in such transactions; and (ii) the OTC derivatives can be traded daily or a return to the issuer is possible at any time. In addition, it must be possible for them to be valued in a reliable and transparent manner. Derivatives may be used pursuant to § 12.
- c.
 - ca. Units in other collective investment schemes (target funds) under Swiss law of the "securities fund" type;
 - cb. Units in target funds under Swiss law of the "other fund for traditional investments" type;
 - cc. Units in target funds under Swiss law of the "other fund for alternative investments" type;
 - cd. Units in listed target funds under Swiss law of the "real estate fund" type;
 - ce. Units of undertakings for collective investment in transferable securities (UCITS) which comply with Directive 2009/65/EC of 13 July 2009 (UCITS IV);
 - cf. Units of undertakings for collective investment (UCIs) which correspond to "other funds for traditional investments" under Swiss law;
 - cg. Units of undertakings for collective investment (UCIs) which correspond to "other funds for alternative investments" under Swiss law;
 - ch. Units in other domestic and foreign target funds in the form of funds of funds which correspond to "other funds for traditional investments" or "other funds for alternative investments".

Investments in target funds pursuant to cc, cd and cg or in funds of funds pursuant to ch, if these correspond to the "other fund for alternative investments" type, up to a maximum of 30%. Units in target funds under Swiss law of the "other fund for traditional investments" type in the form of funds of funds which invest predominantly in real estate funds are included in the aforementioned limit.

The redemption frequency of the target funds must correspond in principle to that of the fund of funds.

The target funds must be authorised as collective investment schemes in their country of domicile and must be subject there to supervision which is equivalent to that in Switzerland and which serves to protect investors, and international administrative assistance must be ensured.

The target funds are open-ended collective investment schemes, i.e. contractual investment funds and investment companies with variable capital.

- d. Money market instruments, provided these are liquid, can be readily valued and are traded on an exchange or other regulated market open to the public. Money market instruments which are not traded on an exchange or other regulated market open to the public may be acquired only if the issue or the issuer is subject to provisions regarding creditor or investor protection and if the money market instruments are issued or guaranteed by issuers pursuant to Art. 74 para. 2 CISO.
- e. Sight or time deposits with terms to maturity not exceeding twelve months with banks domiciled in Switzerland or in a member state of the European Union, or in another country provided that the bank is subject to supervision in that country which is equivalent to the supervision in Switzerland.
- f. Investments other than those specified in a to e above up to a total of 10% of the assets of an individual sub-fund. The following are not permitted: (i) direct investments in precious metals, precious metals certificates, commodities

and commodity certificates as well as (ii) real short-selling of any type of investment.

a) UBS (CH) Suisse – 25 (CHF)

2. a. The fund management company invests the assets of the sub-fund in:
- aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private and public-law borrowers.
 - ab. money market instruments denominated in freely convertible currencies from domestic and foreign issuers.
 - ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
 - ad. units in other collective investment schemes that invest their assets in the investments mentioned above as well as a maximum of 25% in target funds as defined in section 1cc, cd and cg.
 - ae. derivatives (including warrants) on the investments mentioned above.

At least two-thirds of the sub-fund's assets are invested: in investments from issuers which have their registered office in Switzerland, conduct the majority of their business in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland; or in investments denominated in Swiss francs (CHF).

- b. The fund management company invests:
- at least 5% and at most 50% of the sub-fund's assets, after deducting liquid assets, in equity paper and rights as defined in ac) (including derivatives as defined in ae) on such investments and collective investment schemes as defined in ad) that invest predominantly in such investments), and at least 40% and at most 90% of the sub-fund's assets, after deducting liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes, other fixed-income or floating-rate debt paper and rights (including derivatives as defined in ae) on such investments and collective investment schemes as defined in ad) that invest primarily in such investments), money market instruments as defined in aa and ab and target funds as defined in section 1cc, cd and cg.

For investments pursuant to ad, the fund management company ensures that the minimum and maximum percentages are observed on a consolidated basis.

- c. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:
- up to a maximum of 25% in convertible bonds, convertible notes and warrant issues on a consolidated basis.
 - up to a maximum of 100% in other collective investment schemes. Funds of funds may be acquired up to a maximum of 15%.

3. Subject to the provisions of § 19, the fund management company may acquire units in target funds managed directly or indirectly by the fund management company itself or by a company to which the fund management company is related by virtue of common management or control, or by a significant direct or indirect interest.

b. UBS (CH) Suisse – 45 (CHF)

2. a. The fund management company invests the assets of the sub-fund in:
- aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private and public-law borrowers.
 - ab. money market instruments denominated in freely convertible currencies from domestic and foreign issuers.
 - ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
 - ad. units in other collective investment schemes that invest their assets in the investments mentioned above as well as a maximum of 25% in target funds as defined in section 1cc, cd and cg.
 - ae. derivatives (including warrants) on the investments mentioned above.

At least two-thirds of the sub-fund's assets are invested: in investments from issuers which have their registered office in Switzerland, conduct the majority of their business in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland; or in investments denominated in Swiss francs (CHF).

- b. The fund management company invests:
- at least 20% and at most 70% of the sub-fund's assets, after deducting liquid assets, in equity paper and rights as defined in ac) (including derivatives as defined in ae) on such investments and collective investment schemes as defined in ad) that invest predominantly in such investments), and at least 20% and at most 70% of the sub-fund's assets, after deducting liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes, other fixed-income or floating-rate debt paper and rights (including derivatives as defined in ae) on such investments and collective investment schemes as defined in ad) that invest primarily in such investments), money market instruments as defined in aa and ab and target funds as defined in section 1cc, cd and cg.

For investments pursuant to ad, the fund management company ensures that the minimum and maximum percentages are observed on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

- up to a maximum of 25% in convertible bonds, convertible notes and warrant issues on a consolidated basis.
- up to a maximum of 100% in other collective investment schemes. Funds of funds may be acquired up to a maximum of 15%.

3. Subject to the provisions of § 19, the fund management company may acquire units in target funds managed directly or indirectly by the fund management company itself or by a company to which the fund management company is related by virtue of common management or control, or by a significant direct or indirect interest.

c. UBS (CH) Suisse – 65 (CHF)

2. a. The fund management company invests the assets of the sub-fund in:

- aa. bonds, convertible bonds, convertible notes, warrant issues and notes denominated in freely convertible currencies as well as other fixed-income or floating-rate debt paper and rights issued by private and public-law borrowers.
- ab. money market instruments denominated in freely convertible currencies from domestic and foreign issuers.
- ac. equity paper and rights (shares, dividend-right certificates, cooperative shares, participation certificates and similar instruments) issued by companies worldwide.
- ad. units in other collective investment schemes that invest their assets in the investments mentioned above as well as a maximum of 25% in target funds as defined in section 1cc, cd and cg.
- ae. derivatives (including warrants) on the investments mentioned above.

At least two-thirds of the sub-fund's assets are invested in investments from issuers which have their registered office in Switzerland, conduct the majority of their business in Switzerland or, as holding companies, mainly invest in companies which have their registered office in Switzerland, or in investments denominated in Swiss francs (CHF).

b. The fund management company invests:

at least 40% and at most 90% of the sub-fund's assets, after deducting liquid assets, in equity paper and rights as defined in ac) (including derivatives as defined in ae on such investments and collective investment schemes as defined in ad) that invest predominantly in such investments), and at least 5% and at most 50% of the sub-fund's assets, after deducting liquid assets, in bonds, convertible bonds, convertible notes, warrant issues and notes, other fixed-income or floating-rate debt paper and rights (including derivatives as defined in ae on such investments and collective investment schemes as defined in ad that invest primarily in such investments), money market instruments as defined in aa and ab and target funds as defined in section 1cc, cd and cg.

For investments pursuant to ad, the fund management company ensures that the minimum and maximum percentages are observed on a consolidated basis.

c. In addition, the fund management company must comply with the investment restrictions below, which relate to the sub-fund's assets following the deduction of liquid assets:

- up to a maximum of 25% in convertible bonds, convertible notes and warrant issues on a consolidated basis.
- up to a maximum of 100% in other collective investment schemes. Funds of funds may be acquired up to a maximum of 15%.

3. Subject to the provisions of § 19, the fund management company may acquire units in target funds managed directly or indirectly by the fund management company itself or by a company to which the fund management company is related by virtue of common management or control, or by a significant direct or indirect interest.

4. The fund management company ensures liquidity is managed appropriately. Detailed information is contained in the prospectus.

§ 9 Liquid assets

For each sub-fund, the fund management company may also hold liquid assets in an appropriate amount in the relevant sub-fund's accounting currency and in any other currency in which investments are permitted in the relevant sub-fund. Liquid assets comprise sight and time deposits as well as claims arising from repurchase agreements with maturities up to twelve months.

B Investment techniques and instruments

§ 10 Securities lending

1. For the account of the sub-funds, the fund management company may lend all types of securities which are traded on an exchange or other regulated market open to the public. However, it may not lend securities acquired under a reverse repo transaction.

2. The fund management company may lend securities in its own name and for its own account to a borrower ("principal"), or appoint an intermediary to put the securities at the disposal of the borrower either indirectly on a fiduciary basis ("agent") or directly ("finder").
3. The fund management company will carry out securities lending transactions exclusively with first-class supervised borrowers and intermediaries which are specialised in transactions of this type, such as banks, brokers, and insurance companies, as well as with licensed and recognised central counterparty clearing houses and central securities depositories, which guarantee the proper execution of the security lending transactions.
4. If the fund management company must observe a notice period, which may not exceed seven bank working days, before it may again have legal control of the lent securities, it may not lend more than 50% of the eligible holding of that particular security for each sub-fund. However, if the borrower or the intermediary provides a contractual guarantee to the fund management company that it may have legal control of the lent securities on the same or following bank working day, then the entire eligible holding of that particular security may be lent.
5. The fund management company concludes an agreement with the borrower or intermediary under which the latter pledges or transfers collateral to the fund management company for the purposes of guaranteeing restitution in accordance with Art. 51 CISO-FINMA. The value of the collateral must be appropriate and, at all times, be at least 105% of the market value of the lent securities. The issuer of the collateral must have a high credit rating, and the collateral may not be issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public and valued at least on each trading day. When managing the collateral, the fund management company and its agents must comply with the duties and requirements listed under Art. 52 CISO-FINMA. In particular, they must diversify the collateral appropriately in terms of countries, markets and issuers. Appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20% of the net asset value. Exemptions for publicly guaranteed or issued investments pursuant to Art. 83 CISO remain reserved. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be kept at the custodian bank. The collateral received may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
6. Moreover, the borrower or intermediary is liable for ensuring the prompt, unconditional payment of any income accruing during the securities lending period, as well as for the assertion of other proprietary rights, and for the contractually agreed return of securities of the same type, quantity, and quality.
7. The custodian bank ensures that the securities lending transactions are settled in a secure manner, in line with the agreements, and, in particular, monitors compliance with the requirements relating to collateral. In addition, it carries out the administrative duties assigned to it under the safe-custody regulations during the term of the lending transaction and asserts all rights associated with the lent securities, unless such duties have been ceded under the terms of the standardised framework agreement.
8. The prospectus must contain further information on the collateral strategy.

§ 11 Securities repurchase agreements

1. The fund management company may enter into securities repurchase agreements for the account of the sub-funds. Securities repurchase agreements may be concluded as either "repos" or "reverse repos".

A "repo" is a legal act in which one party (the borrower or repo seller) temporarily transfers ownership of specific securities to another party (the lender or repo buyer) against payment, and in which the lender undertakes to return to the borrower securities of the same type, quantity, and quality at the end of the repo term, together with any income earned during such term. During the term of the repurchase agreement, the price risk associated with the securities is borne by the borrower.

From the perspective of the counterparty (lender), a repo is a reverse repo. By means of a reverse repo, the fund management company acquires securities for investment purposes and at the same time agrees to return securities of the same type, quantity, and quality and to transfer all income received during the term of the reverse repurchase agreement.
2. The fund management company may conclude repurchase agreements in its own name and for its own account with a counterparty ("principal"), or may appoint an intermediary to conclude repurchase agreements with a counterparty either indirectly on a fiduciary basis ("agent") or directly ("finder").
3. The fund management company conducts repurchase agreements exclusively with first-class supervised counterparties and intermediaries specialising in transactions of this type, such as banks, brokers and insurance companies, as well as with licensed and recognised central counterparty clearing houses and central securities depositories, which guarantee

the execution of the repurchase agreements in a due and proper manner.

4. The custodian bank ensures that the repurchase transactions are settled in a secure and contractually agreed manner. It ensures on a daily basis that fluctuations in the value of the securities used in repo transactions are compensated for in cash or securities (marked to market). In addition, during the term of the repurchase transaction it carries out the administrative duties assigned to it under the safe-custody regulations and asserts all rights associated with the securities used in the repo transaction unless such duties have been ceded under the standardised framework agreement.
5. For repo transactions, the fund management company may use all types of securities which are traded on an exchange or other regulated market open to the public. It may not use securities acquired under a reverse repo for repo purposes.
6. If the fund management company must observe a notice period, which may not exceed seven bank working days, before it may once again have legal control of the securities under the repurchase agreement, it may not use more than 50% of its holdings of a particular security eligible for repo transactions for each sub-fund. However, if the counterparty or intermediary provides a contractual guarantee to the fund management company that the latter may again have legal control of the securities under the repurchase agreement on the same or following bank working day, then the entire holding of a particular security eligible for repo transactions may be used.
7. Repurchase transactions in the form of repos are deemed to be raising a loan pursuant to § 13, unless the money received is used to acquire securities of the same type, quality, credit rating, and maturity in conjunction with the conclusion of a reverse repo.
8. As part of a reverse repo, the fund management company may acquire only collateral that meets the requirements set down in Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating and the collateral may not be issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public and valued at least on each trading day. When managing the collateral, the fund management company and its agents must comply with the duties and requirements listed under Art. 52 CISO-FINMA. In particular, they must diversify the collateral appropriately in terms of countries, markets and issuers. Appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20% of the net asset value. Deviation from this rule is permitted for publicly guaranteed or issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be kept at the custodian bank. The collateral received may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.
9. Claims in connection with reverse repos are deemed to be liquid assets pursuant to § 9, and are not deemed to be the granting of a loan pursuant to § 13.
10. The prospectus must contain further information on the collateral strategy.

§ 12 Derivatives

1. The fund management company may use derivatives. It ensures that, even in exceptional market conditions, the financial effect of using derivatives does not result in a deviation from the investment objectives set out in the present fund contract and in the prospectus, and that it does not change the investment character of the sub-funds. Furthermore, the underlyings of the derivatives must be permissible investments for the relevant sub-fund according to the present fund contract.

In connection with collective investment schemes, derivatives may be used only for currency hedging purposes, with the exception of the hedging of market, interest rate and credit risks in the case of collective investment schemes for which the risks can be determined and measured unequivocally.

2. Commitment Approach II is applied to the assessment of risk. The overall exposure of a sub-fund that is associated with derivatives may therefore not exceed 100% of its net assets, and overall exposure may not exceed a total of 200% of its net assets. Taking into account the possibility of temporary borrowing amounting to no more than 25% of a sub-fund's net assets pursuant to § 13.2, the overall exposure of the relevant sub-fund may be up to 225% of its net assets. The overall exposure is determined in accordance with Art. 35 CISO-FINMA.
3. The fund management company may, in particular, use basic forms of derivatives such as call or put options, the expiration value of which is linearly dependent on the positive or negative difference between the market value of the underlying and the strike price, and is zero if the difference is preceded by the opposite sign (+ or -), credit default swaps (CDS), swaps, the payments of which are dependent on the value of the underlying or on an absolute amount in both a linear and a path-independent manner, as well as future and forward transactions, the value of which is linearly dependent on the value of the underlying. It may also use combinations of basic forms of derivatives, as well as deriva-

tives whose financial effect cannot be described by a basic form of derivative or a combination of basic forms of derivatives (exotic derivatives).

4.
 - a. Counter positions in derivatives based on the same underlying as well as counter positions in derivatives and in investments in the same underlying may be netted, irrespective of the maturity date of the derivatives, provided that the derivative transaction was concluded with the sole purpose of eliminating the risks associated with the derivatives or investments acquired, no material risks are disregarded in the process and the conversion amount of the derivatives is determined pursuant to Art. 35 CISO-FINMA.
 - b. If the derivatives in hedging transactions do not relate to the same underlying as the asset that is to be hedged, for netting to be permitted a further condition must be met in addition to the rules set out under a) above, namely that the derivative transactions may not be based on an investment strategy that serves to generate profit. Furthermore, the derivative must result in a demonstrable reduction in risk, the risks of the derivative must be balanced out, the derivatives, underlyings, or assets that are to be netted must relate to the same class of financial instruments, and the hedging strategy must remain effective even under exceptional market conditions.
 - c. Where interest rate derivatives are predominantly used, the amount to be included in the overall exposure arising from derivatives can be determined using internationally recognised duration-netting rules provided that the rules result in a correct determination of the risk profile of the securities fund, the material risks are taken into account, the use of these rules does not generate an unjustified level of leverage, no interest rate arbitrage strategies are pursued and the leverage of the securities fund is not increased either by applying these rules or through investments in short-term positions.
 - d. Derivatives that are used solely for currency hedging purposes and do not result in leverage or contain additional market risks may be netted when calculating the overall exposure arising from derivatives without having to meet the requirements set out under letter b above.
 - e. Payment obligations in respect of derivatives must be covered at all times by near-money assets, debt securities and rights, or equities, that are traded on an exchange or other regulated market open to the public, in accordance with the legislation on collective investment schemes.
 - f. If the fund management company enters into a physical delivery obligation in respect of a derivative, this derivative must be covered by the corresponding underlyings or by other investments if the investments and the underlyings are highly liquid and may be purchased or sold at any time if delivery is requested. The fund management company must have unrestricted power to dispose of these underlyings or investments at all times.
5. The fund management company may use both standardised and non-standardised derivatives. It may conclude transactions in derivative financial instruments on an exchange or other regulated market open to the public, or in OTC (over-the-counter) trading.
6.
 - a. The fund management company may conclude OTC transactions only with regulated financial intermediaries specialised in such types of transactions that ensure proper execution of the contract. If the counterparty is not the custodian bank, the former or its guarantor must have a high credit rating.
 - b. It must be possible reliably and verifiably to value an OTC derivative on a daily basis and to sell, liquidate or close out the derivative at market value at any time.
 - c. If no market price is available for an OTC derivative, it must be possible to determine the price at any time using an appropriate valuation model that is recognised in practice, based on the market value of the underlyings from which the derivative was derived. Before concluding a contract for such a derivative, specific offers must, in principle, be obtained from at least two counterparties, and the contract concluded with the counterparty providing the most favourable offer in terms of price. Deviations from this principle are permitted for reasons relating to risk diversification, or where other parts of the contract such as credit rating or the range of services offered by the counterparty render another offer more advantageous overall for the investors. Furthermore, and by way of exception, the requirement to obtain offers from at least two potential counterparties may be dispensed with if this is in the investors' best interests. The reasons for doing so must be clearly documented, as must the conclusion of the contract and pricing.
 - d. As part of OTC transactions, the Fund Management Company and its agents may only accept collateral that satisfies the requirements set down in Art. 51 CISO-FINMA. The issuer of the collateral must have a high credit rating and the collateral may not be issued by the counterparty or by a company that belongs to or is dependent on the counterparty's group. The collateral must be highly liquid, traded at a transparent price on an exchange or other regulated market open to the public and valued at least on each trading day. In managing the collateral, the fund management company and its agents must comply with the duties and requirements under Art. 52 CISO-FINMA. In particular, they must diversify the collateral appropriately in terms of countries, markets and issuers. Appropriate diversification of issuers is deemed to have been achieved if the collateral of a single issuer held does not correspond to more than 20% of the net asset value. Deviation from this rule is permitted for publicly guaranteed or

issued investments pursuant to Art. 83 CISO. The fund management company and its agents must further be able to obtain power of disposal over, and authority to dispose of, the collateral received at any time in the event of default by the counterparty, without involving the counterparty or obtaining its consent. The collateral received must be kept at the custodian bank. The collateral received may be held in safekeeping on behalf of the fund management company by a supervised third-party custodian, provided ownership of the collateral is not transferred and the third-party custodian is independent of the counterparty.

7. In complying with the statutory and contractual investment restrictions (maximum and minimum limits), derivatives must be factored in in accordance with the legislation on collective investment schemes.

8. The prospectus must contain further information on:

- the importance of derivatives as part of the investment strategy;
- the effect of the use of derivatives on the risk profile of the sub-funds;
- the counterparty risks attached to derivatives;
- the increased volatility and increased overall exposure (leverage effect) resulting from the use of derivatives;
- credit derivatives;
- the collateral strategy.

§ 13 Raising and granting loans

1. The fund management company may not grant loans for the account of the sub-funds. Securities lending transactions pursuant to § 10 and securities repurchase agreements taking the form of reverse repos pursuant to § 11 are not deemed to be granting loans within the meaning of this paragraph.
2. The fund management company may borrow the equivalent of up to 25% of the net assets of each sub-fund. Securities repurchase agreements in the form of repos pursuant to § 11 are deemed to be borrowing within the meaning of this paragraph unless the funds obtained are used as part of an arbitrage transaction for the acquisition of securities of the same type, quality, credit rating and maturity in connection with a reverse repo.

§ 14 Encumbrance of the sub-funds' assets

1. No more than 60% of the net assets of each sub-fund may be pledged or ownership thereof transferred as collateral by the fund management company at the expense of the sub-fund.
2. The sub-funds' assets may not be encumbered with guarantees. An exposure-increasing credit derivative is not deemed to be a guarantee within the meaning of this paragraph.

C Investment restrictions

§ 15 Risk diversification

1. The regulations on risk diversification must include the following:
 - a. investments pursuant to § 8 with the exception of index-based derivatives as long as the index is sufficiently diversified, representative of the market which it covers and published in an appropriate manner;
 - b. liquid assets pursuant to § 9;
 - c. claims against counterparties arising from OTC transactions.

The regulations on risk diversification apply to each sub-fund individually.

2. Companies which form a group in accordance with international accounting standards are deemed to be a single issuer.
3. Including derivatives, the fund management company may invest up to a maximum of 10% of the assets of a sub-fund in securities and money market instruments of the same issuer. The total value of the securities and money market instruments from the issuers in which more than 5% of a sub-fund's assets are invested may not exceed 40% of the relevant sub-fund's assets. The provisions under sections 4, 5 and 8 below remain reserved.
4. The fund management company may invest up to a maximum of 20% of the assets of a sub-fund in sight and time deposits held with the same bank. Both liquid assets pursuant to § 9 and investments in bank deposits pursuant to § 8 must be included in this limit.
5. The fund management company may invest up to a maximum of 5% of the assets of a sub-fund in OTC transactions with the same counterparty. If the counterparty is a bank domiciled in Switzerland or in a member state of the European Union, or another country in which it is subject to supervision equivalent to that in Switzerland, this limit is raised to 10% of the assets of the relevant sub-fund. If the claims arising from OTC transactions are hedged using collateral in the form of liquid assets pursuant to Art. 50 to 55 CISO-FINMA, such claims are not included in the calculation of counterparty risk.

6. Investments, deposits and claims pursuant to sections 3 to 5 above from the same issuer/borrower may not, in total, exceed 20% of the assets of a sub-fund, with the exception of the higher limits set out in sections 12 and 13 below.
7. Investments pursuant to section 3 above with the same group of companies may not, in total, exceed 20% of the assets of a sub-fund, with the exception of the higher limits set out in sections 12 and 13 below.
8. The fund management company may invest up to 100% of the assets of a sub-fund in other collective investment schemes (target funds). The fund management company may invest up to a maximum of 20% of the assets of a sub-fund in units in the same target fund.
9. The fund management company may not acquire equity securities which, in total, represent more than 10% of the voting rights in a company or which would enable it to exert a material influence on the management of an issuing company.
10. The fund management company may acquire for the assets of a sub-fund up to a maximum of 10% of non-voting equity securities, debt instruments and/or money market instruments from the same issuer, as well as up to a maximum of 25% of the units in other collective investment schemes.

These restrictions do not apply if the gross amount of the debt instruments, money market instruments or the units in other collective investment schemes cannot be calculated at the time of the acquisition.

11. The restrictions in sections 9 and 10 above do not apply in the case of securities and money market instruments that are issued or guaranteed by a country or a public-law entity from the OECD or by an international public-law organisation to which Switzerland or a member state of the European Union belongs.
12. The limit in section 3 above is increased from 10% to 35% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. The aforementioned securities or money market instruments will not be taken into account in the application of the 40% limit pursuant to section 3. However, the individual limits specified in sections 3 and 5 may not be added to the existing limit of 35%.
13. The limit in section 3 above is increased from 10% to 100% if the securities or money market instruments are issued or guaranteed by an OECD country, a public-law entity from the OECD, or by an international public-law organisation to which Switzerland or a member state of the European Union belongs. In this case, the corresponding sub-fund must invest in the relevant securities or money market instruments from at least six different issues; no more than 30% of the corresponding sub-fund assets may be invested in securities or money market instruments from the same issue. The aforementioned securities or money market instruments will not be taken into account in the application of the 40% limit pursuant to section 3.

The aforementioned authorised issuers/guarantors are: The European Union (EU), OECD states, the Council of Europe, the International Bank for Reconstruction and Development (World Bank), the European Bank for Reconstruction and Development, the European Investment Bank, the Inter-American Development Bank, the Asian Development Bank and Eurofima (European Company for the Financing of Railroad Rolling Stock).

IV. Calculation of net asset values, and the issue and redemption of units

§ 16 Calculation of the net asset value and application of swinging single pricing

1. The net asset value of each sub-fund and the proportions attributable to the individual classes (percentages) are calculated in the accounting currency of the relevant sub-fund (valuation net asset value) at the market value as at the end of the financial year and for each day on which units are issued or redeemed. The assets of the relevant sub-fund will not be calculated on days on which the exchanges/markets in the sub-fund's main investment countries are closed (e.g. bank and stock exchange holidays).

However, the fund management company may also calculate the net asset value of a unit ("non-tradable net asset value") on days on which no units are issued or redeemed (cf. 1.7 of the prospectus). Such non-tradable net asset values may be published but may only be used for performance calculations and statistics or for commission calculations and in no case as a basis for subscription and redemption orders.

2. Securities traded on an exchange or other regulated market open to the public are to be valued at the current prices paid on the main market. Other investments or investments for which no current price is available are to be valued at the price that would probably have been obtained in a diligent sale at the time of the estimate. In such cases, the fund management company will use appropriate and recognised valuation models and principles to determine the market value.
3. Open-ended collective investment schemes are valued at their redemption price / net asset value. If they are regularly traded on an exchange or other regulated market open to the public, the fund management company may value such funds in accordance with section 2.

4. The value of money market instruments that are not traded on an exchange or other regulated market open to the public is determined as follows: The valuation price of such investments is based on the yield curve concerned. The valuation based on the yield curve reflects two components: the interest rate and the spread. The following principles are applied in this case: The subsequent interest rates for the residual term are interpolated for each money market instrument. The interest rate calculated in this manner is then converted into a market price by adding a spread that reflects the underlying borrower's credit rating. This spread is adjusted in the event of a significant change in the borrower's credit rating.
5. Bank deposits are valued at the amount of the claim plus accrued interest. If there are significant changes in market conditions or credit rating, the valuation principles for time deposits will be adjusted in line with the new circumstances.
6. The net asset value of a unit of a given class of a sub-fund is determined by the proportion of the market value of the sub-fund's assets attributable to that unit class, less any of the sub-fund's liabilities that are attributed to that unit class, divided by the number of units of that class in circulation. It will be rounded to the smallest unit of the accounting currency of the respective sub-fund.
7. If, on a valuation day, the sum of subscriptions and redemptions of units in the investment fund results in a net inflow or outflow, the investment fund's net asset value will be increased or reduced accordingly (swinging single pricing). The maximum adjustment is 2% of the net asset value. Incorporated into this are the incidental costs (bid/ask spreads, customary brokerage fees, commissions, taxes and duties, etc.), as well as the costs of reviewing and maintaining the quality standards of physical investments arising from the investment of the amount paid in or the sale of a portion of the investments corresponding to the terminated unit. The adjustment results in an increase in the net asset value, if the net movements lead to an increase in the number of units in the investment fund. The adjustment results in a decrease in the net asset value, if the net movements lead to a reduction in the number of units in the investment fund. These incidental costs are not taken into account if the fund management company permits an inflow or outflow into or out of investments instead of cash according § 17 prov. 7, or when switching between unit classes within the investment fund. The net asset value calculated on the basis of swinging single pricing is thus a modified net asset value as set out in sentence 1 of this provision.
 Instead of the average incidental costs mentioned above, the fund management company may also take the actual amount of the ancillary costs into account in the adjustment, provided that this appears appropriate in the fund management company's estimation, taking into account the relevant circumstances (e.g. amount, general market situation, specific market situation for the asset class concerned). In such a case, the adjustment may be higher or lower than the average incidental costs. In the cases mentioned in § 17 prov. 4 and in other extraordinary cases, the maximum value of 2% of the net asset value may also be exceeded if the fund management is of the opinion that this is in the interests of all investors. The fund management company shall immediately inform the external auditors and the supervisory authority of any decision to suspend redemptions. It shall also notify existing and new investors in an appropriate manner..
8. The percentages of the market value of a sub-fund's net assets (sub-fund assets less liabilities) attributable to the individual unit classes is determined for the first time at the initial issue of more than one class of units (if this occurs simultaneously) or the initial issue of a further unit class. The calculation is made on the basis of the assets accruing to the relevant sub-fund for each unit class. The percentage is recalculated when one of the following events occurs:
 - a. when units are issued and redeemed;
 - b. on the cut-off date for distributions, provided that (i) such distributions are made only for individual unit classes (distribution classes), or provided that (ii) the distributions of the various unit classes differ as percentages of their individual net asset values, or provided that (iii) different commission or costs, as percentages, are charged on the distributions of the various unit classes;
 - c. when the net asset value is calculated, as part of the allocation of liabilities (including due or accrued costs and commissions) to the various unit classes, provided that the liabilities of the various unit classes differ as percentages of their individual net asset values, especially if (i) different commission rates are applied to the various unit classes or if (ii) class-specific costs are charged;
 - d. when the net asset value is calculated, as part of the allocation of income or capital gains to the various unit classes, provided the income or capital gains originate from transactions made solely in the interests of one unit class or in the interests of several unit classes, but not in proportion to their share of a sub-fund's net assets.

§ 17 Issue and redemption of units

1. Subscription and redemption orders for units will be accepted on the order day up to a certain cut-off time specified in the prospectus. The definitive price of the units for the issues and redemptions is determined at the earliest on the bank working day following the day the order is placed (valuation day). The details are governed by the prospectus.
2. The issue and redemption price of units is based on the net asset value per unit, calculated pursuant to § 16 on the valuation day on the basis of the closing prices from the previous day. In the case of unit issues, an issuing commission may be added to the net asset value pursuant to § 18.

Incidental costs (specifically bid-ask spread, standard brokerage charges, commissions, taxes, and fees) incurred by a

sub-fund in connection with the investment of the amount paid in or with the sale of that portion of investments corresponding to the redeemed unit(s) on average will be covered by the application of swinging single pricing as described in § 16.7.

3. The fund management company may suspend the issue of units at any time, and may reject applications for the subscription or conversion of units.
4. The fund management company may, temporarily and by way of exception, defer repayment in respect of a sub-fund's units in the interests of all investors:
 - a. if a market which forms the basis of the valuation of a significant proportion of a sub-fund's assets is closed, or if trading on such a market is restricted or suspended;
 - b. in the event of a political, economic, military, monetary or other emergency;
 - c. if, owing to exchange controls or restrictions on other asset transfers, the sub-fund is no longer able to transact its business;
 - d. in the event of large-scale redemptions in a sub-fund that might significantly impair the interests of the remaining investors in that sub-fund.
5. The fund management company will immediately inform the audit firm and the supervisory authority of any decision to defer redemptions. It must also inform the investors in a suitable manner.
6. No units of a sub-fund will be issued for as long as repayments in respect of units of this sub-fund are deferred for the reasons stipulated under section 4 a to c.
7. For unit classes exclusively for qualified investors pursuant to Art. 10, prov. 3 and 3ter CISA, in the event of a subscription every investor may apply to make deposits into the fund's portfolio instead of making payment in cash ("contribution in kind") and in the event of a termination, every investor may apply to have assets transferred to them instead of payment in cash ("redemption in kind"), provided this is not excluded in the provisions of a unit class. The application must be submitted together with the subscription/termination. The fund management company is not obliged to permit contributions and redemptions in kind.
The decision on contributions or redemptions in kind lies with the fund management company alone, and it approves such transactions only if the execution of the transactions is fully in accordance with the investment policy of the sub-fund and if the interests of the other investors are not impaired.
The costs entailed in connection with contributions or redemptions in kind may not be charged to the fund assets.
In the event of contributions or redemptions in kind, the fund management company shall draw up a report containing information on the individual assets that have been transferred, the market price of these assets on the transfer date, the number of units issued or redeemed in return, and any cash compensation. For every contribution or redemption in kind, the custodian bank shall verify that the fund management company has complied with its duty of loyalty, and shall also check the valuation of the assets transferred and the units issued or redeemed as at the relevant date. Should it have any reservations or complaints, the custodian bank must report these to the audit firm without delay. Transactions relating to contributions and redemptions in kind must be disclosed in the annual report. Upon the issue of units, investors may be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland and abroad, which in total shall not exceed 5% of the net asset value

V. Fees and incidental costs

§ 18 Fees and incidental costs charged to the investor

On the issue of fund units, the investors may be charged an issuing commission accruing to the fund management company, the custodian bank and/or distributors in Switzerland or abroad which, in total, may not exceed 4% of the net asset value. The currently applicable maximum rate is stated in the prospectus.

§ 19 Fees and incidental costs charged to the sub-funds' assets

1. For the administration, asset management and, where applicable, the distribution activity in respect of the sub-funds and the activities described in § 6.4B(e)–g), as well as all tasks of the custodian bank such as the safekeeping of the fund assets, the handling of the fund's payment transactions and the performance of the other tasks listed under § 4, the fund management company will charge the investment fund a maximum flat fee or commission as a percentage of the fund's net asset value as follows, to be charged to the fund assets on a pro rata basis every time the net asset value is calculated, and paid out monthly (flat fee or commission).

a. – 25 (CHF)

Units in unit class "P-dist" Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)

2,16%

Units in unit class "K-1-dist"

Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)

2,10%

Units in unit class "Q-dist"

Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)

1,19%

Units in unit class "F-dist"

Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)

0,69%

Units in unit class "I-A1-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,75%
Units in unit class "I-A2-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,72%
Units in unit class "I-A3-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,69%
Units in unit class "I-B-dist"	
Commission charged by the fund management company for administration of the fund (fund management company, administration and custodian bank) (p.a.)	0,06%
The costs to be borne by the investor for asset management and distribution activities (maximum 1.40% of the net asset value) are additionally covered by an individually negotiated, written agreement between UBS and the investor (cf. § 6 prov. 4)	
Units in unit class "I-X-dist"	
Commission charged by the fund management company (p.a.)	0,00%
The costs to be borne by the investor for the services provided in connection with the unit class "I-X-dist." are covered by an individually negotiated, written agreement between UBS and the investor (maximum 1.40% of the net asset value – cf. § 6 prov. 4)	
Units in unit class "U-X-dist"	
Commission charged by the fund management company (p.a.)	0,00%
The costs to be borne by the investor for the services provided in connection with the unit class "U-X-dist." are covered by an individually negotiated, written agreement between UBS and the investor (maximum 1.40% of the net asset value – cf. § 6 prov. 4)	

b. – 45 (CHF)

Units in unit class "P-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2,16%
Units in unit class "K-1-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2,10%
Units in unit class "Q-dist"	
Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1,31%
Units in unit class "F-dist"	
Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	0,78%
Units in unit class "I-A1-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,85%
Units in unit class "I-A2-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,80%
Units in unit class "I-A3-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,78%
Units in unit class "I-B-dist"	
Commission charged by the fund management company for administration of the fund (fund management company, administration and custodian bank) (p.a.)	0,06%
The costs to be borne by the investor for asset management and distribution activities (maximum 1.40% of the net asset value) are additionally covered by an individually negotiated, written agreement between UBS and the investor (cf. § 6 prov. 4)	
Units in unit class "I-X-dist"	
Commission charged by the fund management company (p.a.)	0,00%
The costs to be borne by the investor for the services provided in connection with the unit class "I-X-dist." are covered by an individually negotiated, written agreement between UBS and the investor (maximum 1.40% of the net asset value – cf. § 6 prov. 4)	
Units in unit class "U-X-dist"	
Commission charged by the fund management company (p.a.)	0,00%
The costs to be borne by the investor for the services provided in connection with the unit class "U-X-dist." are covered by an individually negotiated, written agreement between UBS and the investor (maximum 1.40% of the net asset value – cf. § 6 prov. 4)	

c. – 65 (CHF)

Units in unit class "P-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2,16%
Units in unit class "K-1-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	2,10%
Units in unit class "Q-dist"	
Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	1,19%
Units in unit class "F-dist"	
Flat fee charged by the fund management company for administration, asset management and remuneration of the custodian bank (p.a.)	0,87%
Units in unit class "I-A1-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,95%
Units in unit class "I-A2-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,90%

Units in unit class "I-A3-dist"	
Flat fee charged by the fund management company for administration, asset management, distribution and remuneration of the custodian bank (p.a.)	0,87%
Units in unit class "I-B-dist"	
Commission charged by the fund management company for administration of the fund (fund management company, administration and custodian bank) (p.a.)	0,06%
The costs to be borne by the investor for asset management and distribution activities (maximum 1.40% of the net asset value) are additionally covered by an individually negotiated, written agreement between UBS and the investor (cf. § 6 prov. 4)	
Units in unit class "I-X-dist"	
Commission charged by the fund management company (p.a.)	0,00%
The costs to be borne by the investor for asset management and distribution activities in connection with the unit class "I-X-dist." are additionally covered by an individually negotiated, written agreement between UBS and the investor (maximum 1.40% of the net asset value – cf. § 6 prov. 4)	
Units in unit class "U-X-dist"	
Commission charged by the fund management company (p.a.)	0,00%
The costs to be borne by the investor for the services provided in connection with the unit class "U-X-dist." are additionally covered by an individually negotiated, written agreement between UBS and the investor (maximum 1.40% of the net asset value – cf. § 6 prov. 4)	

The actual rate of the flat fee or commission actually charged for each sub-fund is stated in the annual and semi-annual reports.

2. The following fees and incidental costs of the fund management company and the custodian bank are not included in the flat fee or commission and will be charged additionally to the fund assets:
 - a. costs for the purchase and sale of investments, i.e. standard brokerage fees, commissions, taxes and duties. By way of derogation, incidental costs incurred for the purchase and sale of investments when settling issues and redemptions of units are covered by the application of swinging single pricing pursuant to § 16.7;
 - b. the supervisory authority's fees in relation to the establishment, amendment, liquidation, merger or consolidation of the fund;
 - c. the supervisory authority's annual fees;
 - d. the audit firm's fees for annual auditing as well as certification in the case of establishment, amendment, liquidation, merger or consolidation of the fund;
 - e. fees for legal and tax advisors in connection with the establishment, amendment, liquidation, merger or consolidation of the fund, as well as generally upholding the interests of the fund and its investors;
 - f. the cost of publishing the net asset value of the fund, together with all the costs of providing notices to investors, including translation costs, provided such costs cannot be ascribed to any failure on the part of the fund management company;
 - g. the cost of translating prospectuses with integrated fund contracts and semi-annual and annual reports;
 - h. the cost of printing legal documents, as well as the fund's annual and semi-annual reports;
 - i. the cost of any registration of the fund with a foreign supervisory authority, and specifically the commissions levied by the foreign supervisory authority, translation costs, and remuneration for the representative or paying agent abroad;
 - j. costs relating to the exercising of voting rights or creditors' rights by the fund, including the cost of fees paid to external advisors;
 - k. costs and fees relating to intellectual property registered in the name of the fund or with rights of use for the fund;
 - l. all costs incurred though any extraordinary steps taken to safeguard the interests of investors by the fund management company, asset manager of collective investment schemes or custodian bank;
 - m. Third-party costs (e.g. attorneys' fees and custodian bank fees) arising from participation in class actions in the interest of investors may be charged to the assets of the sub-funds by the fund management company. The fund management company may also charge all documented administrative costs, provided these can be proven and are reported and included in the disclosure of the fund's TER.
3. The costs under prov. 2 letter a are directly added to the cost value or deducted from the sales value.
4. The fund management company and its agents as well as the custodian bank may, in accordance with the provisions of the prospectus, pay retrocessions as remuneration for distribution activity in respect of fund units and rebates to reduce the fees or costs incurred by the investor and charged to the fund.
5. Taking any retrocessions and rebates into account, the management fee of the target funds in which investments are made may not exceed 3%. The maximum rate of the management fee of the target funds in which investments are made, taking any retrocessions and rebates into account, must be disclosed in the annual report for each target fund.
6. If the fund management company acquires units in other collective investment schemes that are managed directly or indirectly by the fund management company itself or a company to which it is related by virtue of common management or control or by a significant direct or indirect interest ("related target funds"), it may not charge any issuing or redemption commissions of the related target funds to the sub-funds.
7. Fees may only be charged to the sub-fund for which the service in question is performed. Costs that cannot be allocated unequivocally to a specific sub-fund are charged to the individual sub-funds on a pro rata basis in relation to their share of the fund assets.

VI. Financial statements and audit

§ 20 Financial statements

1. The accounting currencies of the individual sub-funds are:

UBS (CH) Suisse – 25 (CHF)	Swiss franc (CHF)
UBS (CH) Suisse – 45 (CHF)	Swiss franc (CHF)
UBS (CH) Suisse – 65 (CHF)	Swiss franc (CHF)

2. The financial year runs from 1 September to 31 August.
3. The fund management company publishes an audited annual report for the umbrella fund and sub-funds within four months of the end of the financial year.
4. The fund management company publishes a semi-annual report for the umbrella fund and sub-funds within two months of the end of the first half of the financial year.
5. The investor’s right to obtain information under § 5.5 is reserved.

§ 21 Audit

The audit firm examines each year whether the fund management company and the custodian bank have complied with the statutory and contractual provisions, and with the code of conduct of the Asset Management Association Switzerland. The annual report contains a short report by the audit firm on the published annual financial statements.

VII. Appropriation of net income

§ 22

1. The net income of the sub-funds is distributed annually per unit class to the investors in the relevant accounting currency within four months of the close of the financial year.

The fund management company may make additional interim distributions from the income.

Up to 30% of the net income of a unit class of the sub-funds (including income carried forward) may be carried forward to the new account. A distribution may be waived and the entire net income may be carried forward to the new account of the relevant sub-fund if

- the net income in the current financial year and income carried forward from previous financial years of the sub-funds or a unit class is less than 1% of the net asset value of the sub-fund or unit class, and
- the net income in the current financial year and income carried forward from previous financial years of the sub-funds or a unit class is less than one unit of the accounting currency of the sub-fund or unit class.

2. Capital gains realised on the sale of assets and rights may be distributed by the fund management company or retained for the purpose of reinvestment.

VIII. Publication of official notices by the umbrella fund and sub-funds

§ 23

1. The medium of publication of the umbrella fund and sub-funds is the print medium or electronic medium specified in the prospectus. Notification of any change in the medium of publication must be published in the medium of publication.

2. The following information must, in particular, be published in the medium of publication: summaries of material amendments to the fund contract, indicating the offices from which the amended wording may be obtained free of charge; any change of fund management company and/or custodian bank; the creation, dissolution or merger of unit classes; and the liquidation of individual sub-funds. Amendments that are required by law that do not affect the rights of investors or are of an exclusively formal nature may be exempted from the duty to publish subject to the approval of the supervisory authority.

3. Each time units are issued or redeemed, the fund management company will publish the issue and the redemption prices or the net asset value for each sub-fund (a modified net asset value through the application of swinging single pricing pursuant to § 16.7) together with a note stating “excluding commissions” for all unit classes in the print medium or electronic medium specified in the prospectus. Prices must be published at least twice each month. The weeks and weekdays on which publications are made must be specified in the prospectus.

4. The prospectus with integrated fund contract, the key information document, and the respective annual or semi-annual reports may be obtained free of charge from the fund management company, the custodian bank and all distributors.

IX. Restructuring and dissolution**§ 24 Mergers**

1. Subject to the consent of the custodian bank, the fund management company may merge individual sub-funds with other sub-funds or with other investment funds by transferring the assets and liabilities as at the time of the merger of the sub-fund(s) or investment fund(s) being acquired to the acquiring sub-fund or investment fund. The investors of the sub-fund(s) or investment fund(s) being acquired will receive the corresponding number of units in the acquiring sub-fund or investment fund. The sub-fund(s) or investment fund(s) being acquired is/are terminated without liquidation when the merger takes place, and the fund contract of the acquiring sub-fund or investment fund will also apply to the sub-fund(s) or investment fund(s) being acquired.
2. Sub-funds or investment funds may be merged only if:
 - a. provision for this is made in the relevant fund contracts;
 - b. they are managed by the same fund management company;
 - c. the relevant fund contracts essentially correspond in terms of the following provisions:
 - the investment policy, investment techniques, risk diversification, and the risks associated with the investment;
 - the appropriation of net income and capital gains from the sale of assets and rights;
 - the type, amount and calculation of all fees, issue and redemption commissions, and the incidental costs for the purchase and sale of the investments (brokerage fees, charges, duties) that may be charged to the fund or sub-fund assets or to the investors;
 - the redemption conditions;
 - the duration of the contract and the conditions of dissolution;
 - d. the assets of the sub-funds or investment funds concerned are valued, the exchange ratio is calculated, and the assets and liabilities are acquired on the same day;
 - e. no costs arise as a result for either the sub-fund or investment fund or the investors. The provisions of § 19.2b), d) and e) are reserved.
3. If the merger is likely to take more than one day, the supervisory authority may approve limited deferment of repayment in respect of the units of the sub-funds or investment funds involved.
4. At least one month before the planned publication, the fund management company must submit the proposed changes to the fund contract, and the proposed merger, as well as the merger schedule to the supervisory authority for review. The merger schedule must contain information on the reasons for the merger, the investment policies of the sub-funds or investment funds involved and any differences between the acquiring fund and the sub-fund(s) or investment fund(s) being acquired, the calculation of the exchange ratio, any differences with regard to fees and any tax implications for the sub-funds or investment funds, as well as a statement from the audit firm responsible in accordance with the legislation on collective investment schemes.
5. The fund management company must publish a notice of the proposed changes to the fund contract pursuant to § 23.2 and the proposed merger and its timing, as well as the merger schedule, at least two months before the planned date of merger in the medium of publication of the sub-funds or investment funds in question. In this notice, the fund management company must inform the investors that they may lodge objections to the proposed changes to the fund contract with the supervisory authority or request redemption of their units in cash within 30 days of the publication.
6. The audit firm must check directly that the merger is being carried out correctly and must submit a report containing its comments in this regard to the fund management company and the supervisory authority.
7. The fund management company must inform the supervisory authority of the conclusion of the merger, and publish notification of the completion of the merger, confirmation from the audit firm of the proper execution of the merger, and the exchange ratio, without delay in the medium of publication of the sub-funds or investment funds involved.
8. The fund management company must make reference to the merger in the next annual report of the acquiring sub-fund or investment fund, and in the semi-annual report if published prior to the annual report. If the merger does not take place on the last day of the usual financial year, an audited closing statement must be produced for the sub-fund(s) or investment fund(s) being acquired.

§ 25 Conversion into another legal form

1. The fund management company may, with the consent of the custodian bank, convert investment funds into sub-funds of a SICAV under Swiss law, whereby the assets and liabilities of the converted investment fund(s) are transferred to the investor sub-fund of a SICAV at the time of conversion. The investors of the converted investment fund will receive units of the investor sub-fund of the SICAV with a corresponding value. On the day of conversion, the converted investment fund will be dissolved without liquidation, and the investment regulations of the SICAV will apply to the investors of the converted investment fund who will become investors of the SICAV's investor sub-fund.

2. The investment fund may only be converted into a sub-fund of a SICAV if:
 - a) The fund contract provides for this, and this is explicitly stated in the SICAV's investment regulations;
 - b) The investment fund and the sub-fund are managed by the same fund management company;
 - c) The fund contract and the investment regulations of the SICAV are consistent with respect to the following provisions:
 - the investment policy (including liquidity), the investment techniques (securities lending, repurchase and reverse repurchase agreements, financial derivatives), borrowing and lending, pledging of collective investment assets, risk diversification and investment risks, the type of collective investment scheme, the investor base, the unit/share classes and the calculation of the net asset value,
 - the use of net proceeds and gains on disposal from the sale of items and rights,
 - The appropriation of net income and reporting,
 - The nature, amount and calculation of all remuneration, issue and redemption discounts and incidental costs for the acquisition and disposal of investments (brokerage fees, duties and taxes) that may be charged to the fund assets or to the SICAV, the investors or the shareholders, subject to incidental costs specific to the legal form of the SICAV,
 - The issuing and redemption conditions,
 - The term of the contract or the SICAV,
 - The publication medium;
 - d) The valuation of the assets of the collective investment schemes involved, the calculation of the exchange ratio, and the transfer of the assets and liabilities must take place on the same day;
 - e) No costs may be incurred by the investment fund or the SICAV or by the investors or shareholders.
3. FINMA may approve the suspension of the redemption for a certain period of time if it is foreseeable that the conversion will take longer than one day.
4. The fund management company must submit to FINMA for review the planned amendments to the fund contract and the planned conversion, together with the conversion plan, prior to the planned publication. The conversion plan must contain information on the reasons for the conversion, the investment policy of the collective investment schemes concerned, any differences between the converted investment fund and the SICAV's sub-fund, the calculation of the exchange ratio, any differences with regard to remuneration, any tax implications for the collective investment schemes, and an opinion from the external auditor of the investment fund.
5. The fund management company will publish any amendments to the fund contract pursuant to § 23.2 and the planned conversion and the planned date in connection with the conversion plan at least two months before the date specified by it in the publication of the converted investment fund. In this notice, the fund management company must inform the investors that they may lodge objections to the proposed changes to the fund contract with the supervisory authority, or request redemption of their units in cash, within 30 days of publication or notice.
6. The auditor of the investment fund or the SICAV (if different) will verify the proper execution of the conversion and report thereon to the fund management company, the SICAV and FINMA.
7. The fund management company will immediately notify FINMA of the completion of the conversion and forward to FINMA the auditor's confirmation regarding the proper execution of the transaction and the conversion report in the publication medium of the investment funds involved.
8. The fund management company or the SICAV shall mention the conversion in the next annual report of the investment fund or the SICAV, and in any semi-annual report published before this date.

§ 26 Duration of the sub-funds and dissolution

1. The sub-funds have been established for an indefinite period.
2. The fund management company or the custodian bank may dissolve individual sub-funds by terminating the fund contract without notice.
3. The individual sub-funds may be dissolved by order of the supervisory authority, in particular, if at the latest one year after the expiry of the subscription period (launch), or a longer extended period approved by the supervisory authority at the request of the custodian bank and the fund management company, a sub-fund does not have net assets of at least CHF 5 million (or the equivalent).
4. The fund management company must inform the supervisory authority of the dissolution immediately and must publish notification in the medium of publication.
5. Once the fund contract has been terminated, the fund management company may liquidate the relevant sub-funds forthwith. If the supervisory authority has ordered the dissolution of a sub-fund, it must be liquidated forthwith. The custodian bank is responsible for the payment of liquidation proceeds to the investors. If the liquidation proceedings are protracted, payment may be made in instalments. The fund management company must obtain authorisation from the supervisory authority prior to the final payment.

X. Amendments to the fund contract

§ 27

If any amendments are to be made to the present fund contract, or if the merger of unit classes or a change of fund management company or of custodian bank is planned, the investors may lodge objections with the supervisory authority within 30 days after the corresponding publication.

In the publication, the fund management company must inform the investors about which amendments to the fund contract are covered by FINMA's verification and check for compliance with the law.

In the event of a change to the fund contract (including the merger of unit classes) the investors may also demand the redemption of their units in cash subject to the contractual period of notice. Exceptions in this regard are cases pursuant to § 23.2 that have been exempted from the duty to publish with the approval of the supervisory authority.

XI. Applicable law and place of jurisdiction

§ 28

1. The umbrella fund and the individual sub-funds are subject to Swiss law, in particular the Swiss Federal Act on Collective Investment Schemes of 27 August 2014, the Ordinance on Collective Investment Schemes of 22 November 2006 and the Ordinance of the Swiss Financial Market Supervisory Authority FINMA on Collective Investment Schemes of 27 August 2014.

The place of jurisdiction is the registered office of the fund management company.

2. The German version is binding in all matters of interpretation relating to the present fund contract.
3. The present fund contract takes effect on 19 December 2023.
4. The present fund contract replaces the fund contract dated 3 March 2023.
5. When approving the fund contract, FINMA verifies only the provisions pursuant to Art. 35a para. 1 let. a–g CISO and ensures their compliance with the law.

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